



CITY OF MOUNTAIN VIEW, CALIFORNIA

FISCAL YEAR 2005-06
ADOPTED BUDGET

Mission Statement:

The City of Mountain View provides quality services and facilities that meet the needs of a caring and diverse community in a financially responsible manner.

On the cover is a digital rendering of the Hetch Hetchy Trail, a connector to the Stevens Creek Trail. Located in the Whisman Neighborhood, the trail links Stevens Creek Trail to the Middlefield Light Rail Station and provides a recreational resource for neighborhood residents and corporate employees. Transit-Oriented Development funds provided by Veritas, Inc. made the trail a reality.

THE CITY OF MOUNTAIN VIEW, CALIFORNIA OPERATING BUDGET FISCAL YEAR 2005-06

CITY COUNCIL:

Matt Neely, Mayor
Nick Galiotto, Vice Mayor

R. Michael Kasperzak, Jr.
Laura Macias
Tom Means
Matt Pear
Gregory Perry

Submitted by:
Kevin C. Duggan
City Manager

Prepared by:
Nadine P. Levin, Assistant City Manager
Robert F. Locke, Finance and Administrative Services Director
Patty J. Kong, Asst. Finance and Admin. Services Director
Helen M. Ansted, Principal Financial Analyst
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City of Mountain View California

Directory of City Officials

City Council

Matt Neely, Mayor

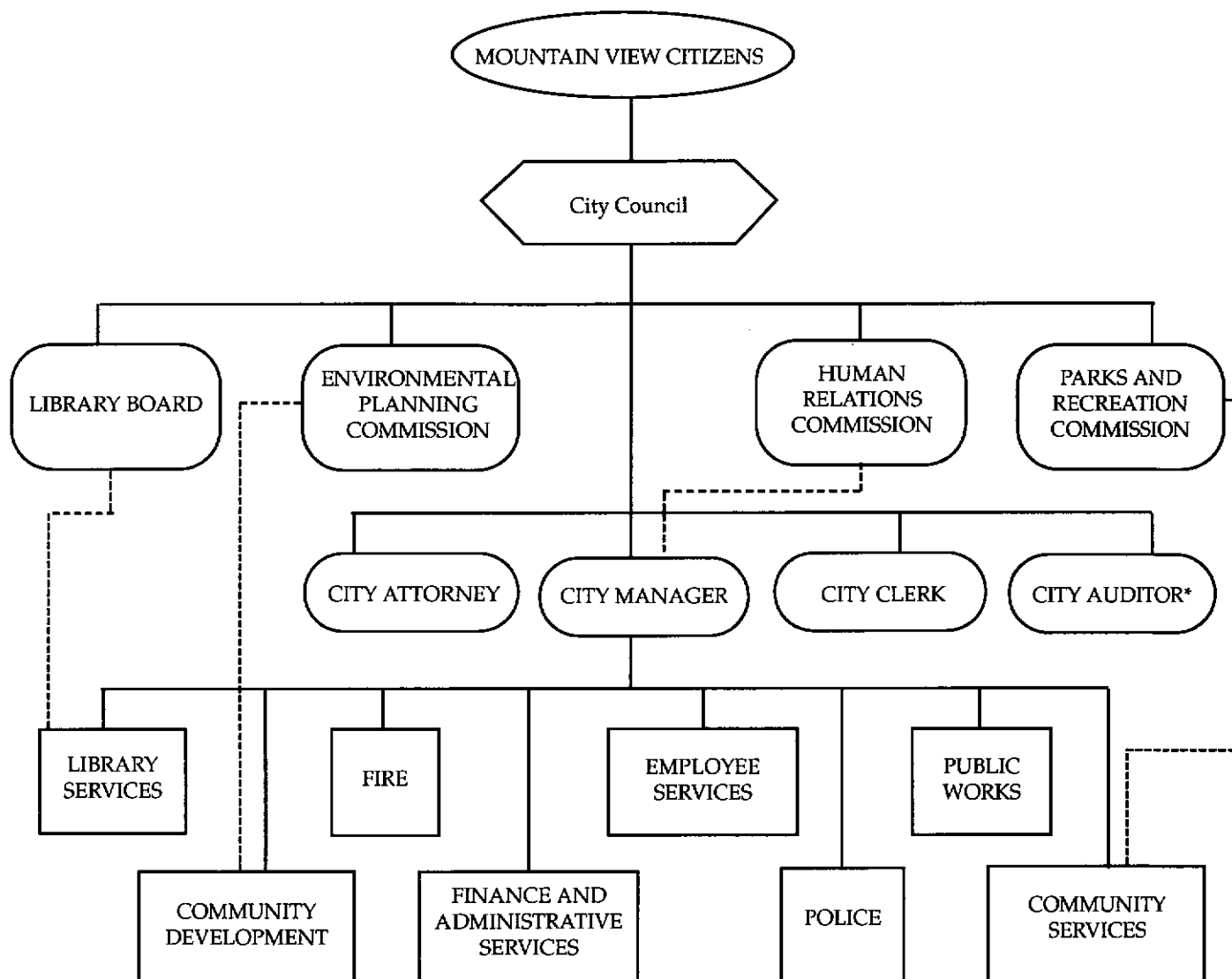
Nick Galiotto, Vice Mayor
R. Michael Kasperzak, Jr.
Laura Macias

Tom Means
Matt Pear
Gregory Perry

City Staff

Kevin C. Duggan, City Manager
Nadine P. Levin, Assistant City Manager
Michael D. Martello, City Attorney
Angelita M. Salvador, City Clerk
Robert F. Locke, Finance and Administrative Services Director
Kathy Farrar, Employee Services Director
Elaine Costello, Community Development Director
Cathy R. Lazarus, Public Works Director
David A. Muela, Community Services Director
Karen Burnett, Library Services Director
Marc Revere, Fire Chief
Scott S. G. Vermeer, Police Chief

CITY GOVERNMENT ORGANIZATION



KEY:



ELECTED



APPOINTED BY COUNCIL



APPOINTED BY CITY MANAGER

— LINE OF COMMAND

- - - - - STAFF SERVICES

FISCAL YEAR 2005-06 POSITION TOTALS:

7	Councilmembers
24	Commission and Board Members
578	Full-Time and Permanent Part-Time
53.94	Hourly Positions

*Finance and Administrative Services Director serves as City Auditor

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CITY OF MOUNTAIN VIEW

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July 1, 2005

Honorable City Council
City of Mountain View

FISCAL YEAR 2005-06 ADOPTED OPERATING BUDGET

Honorable Mayor Neely and Members of the Council:

I am pleased to present to you the Adopted Operating Budget for the City of Mountain View for the fiscal year beginning July 1, 2005 and ending June 30, 2006. The Fiscal Year 2005-06 budget document is divided into five sections:

1. Introduction—includes a summary of the City's overall financial plan;
2. Department Budgets—includes operating plans for all City departments;
3. Statistical Section—includes statistical information about the City;
4. Fund Schedules—includes adopted budgets for all funds; and
5. Five-Year Forecast—includes the General Operating Fund revenue and expenditure forecast.

This budget, the budget process and the documents that accompany it have been prepared in accordance with Section 1103 of the City Charter, the State Constitutional limit on the proceeds of taxes and all applicable regulations.

OVERVIEW

Fiscal Year 2005-06 is projected to be a positive change for City finances and a welcome relief after several years of negative to flat revenue growth and difficult budget reductions. Projected revenue growth for Fiscal Year 2005-06 is stronger than that projected for the past three fiscal years. New/expanded retail development projects are likely to come to fruition that will also increase the revenue base. Passage of Proposition 1A has diminished, but not eliminated, the possibility of State budget impacts on local government; although the City will contribute a second and final payment of \$1.4 million from the General Fund (total \$3.5 million City-wide) to the State's school

funding obligations (ERAF III). While the City is not out of the budgetary woods yet and large financial issues remain to be resolved, the outlook for Fiscal Year 2005-06 is an improvement over the recent past.

While the City maintained a balanced budget over the challenging last few years, this was achieved by difficult budget and service level reductions caused by a dramatic drop in revenues in Fiscal Year 2001-02. By not relying on reserves and one-time revenues to balance the budget, the City is now positioned to reap the benefits of improving revenues rather than going through several years of effort to restore a balanced budget.

Expenditure growth needs to be managed within the rate of revenue growth. Rising Public Employees Retirement System (PERS) rates, health insurance costs and the overall rate of inflation are increasing faster than revenues can be reasonably projected into future years. Also, a large issue to be considered during this fiscal year is the ongoing cost as well as the unfunded liability of the retirees' health insurance benefit program. The City cannot control retirement rates and health insurance costs by itself. Financing of the retirees' health commitment will be a major challenge requiring a multi-pronged approach and cooperation from employees. Overall compensation costs need to be managed carefully.

The health of the local economy is still of concern, although it appears to be improving. Outsourcing manufacturing has changed the revenue base of all cities in the Silicon Valley. The majority of sales tax revenue now comes from retail sales rather than business-to-business sales and use tax on manufacturing and assembly facilities. In spite of the many residents that have left the Silicon Valley, housing prices continue to soar to unprecedented levels, leading to fears regarding sustainability. However, in total, the City's revenue base appears to be improving and is less volatile than in the past.

The Fiscal Year 2005-06 budget is adopted with a positive balance of revenues over expenditures in the amount of \$1.4 million. This Economic Stabilization Contingency or ESC is primarily intended as a contingency in case revenues do not meet projections. It also has the potential to increase the fiscal year-end balance available to help fund capital projects and other one-time expenditures.

There is an unallocated General Fund carryover balance from prior fiscal years of \$11.4 million. This balance will not be fully allocated until the retirees' health actuarial report has been presented to Council. Additional reserve allocation recommendations from staff will be forwarded after the retirees' health and other issues have been considered by Council.

The total City budget for the 2005-06 fiscal year is adopted at \$193.4 million and is composed of a number of funds, the most significant being the General Operating Fund. This fund is the primary funding source for City services and has faced the greatest financial challenges over the past three fiscal years as a result of the economic slowdown.

For the 2005-06 fiscal year, General Operating Fund revenues are adopted at \$76.8 million, \$188,000 or approximately 0.2 percent less than unaudited actuals for Fiscal Year 2004-05 and \$4.3 million or 6.0 percent more than the adopted revenues for Fiscal Year 2004-05.

The General Fund Adopted Budget is balanced and includes \$1.4 million for the second-year ERAF III impact from the State (funded from the General Fund carryover balance). The Adopted Budget has a projected positive ending balance of \$1.4 million to serve as the Economic Stabilization Contingency for the 2005-06 fiscal year.

Shoreline Golf Links (considered part of the General Fund) is also being impacted by the economy. Rounds of play and related revenue have continued to decline this past fiscal year. Fiscal Year 2004-05 unaudited revenues are \$432,000 or 11.2 percent lower than budgeted.

Significant Special Funds, Revitalization Authority (Authority) and Shoreline Regional Park (North Bayshore) Community Funds are generally in good financial condition. The Authority Fund's revenue has increased due to significant redevelopment in the downtown area. The Shoreline Regional Park Community (Community) continues to generate sufficient tax increment revenues to meet ongoing operations and capital needs, although property tax increment revenues continue to decline due to vacancy rates in commercial/industrial space. Both funds are impacted by the two annual ERAF III payments of \$256,000 for the Authority and \$1.8 million for the Community.

The Utility Funds are generally in stable financial condition although the Wastewater Fund is not generating sufficient revenue to fund annual maintenance projects. No rate adjustment was adopted for the Water Fund due to the wholesale water rate decrease from the San Francisco Public Utilities Commission (SFPUC), which is partially offset by increased retirement and health care costs. A rate adjustment of 10.0 percent along with rate restructuring was adopted for the Wastewater Fund to partially address the need for ongoing revenues to be in line with ongoing expenditures and to fund a base level of annual maintenance projects. A 6.0 percent rate increase was adopted for the Solid Waste Management Fund to fund cost increases associated with refuse collection, recycling and disposal.

The Adopted Budget continues the City's commitment to infrastructure repair and replacement to the extent possible and includes funding for the Capital Improvement Program. This program includes new projects that are high priorities to the Council and the community. The Adopted Budget also includes the minimal investments necessary for capital outlay and equipment replacement.

As previously noted, the City's revenue performance is improving and has shown the strongest signs of recovery since Fiscal Year 2000-01. However, it is expected the City will continue to be challenged over the next few fiscal years to meet increased operating costs, including those relating to existing employee compensation/benefits.

The level of tax revenues received by the General Operating Fund will not be able, in the foreseeable future, to fund all of the services to which the community has become accustomed. General taxes may at best be able to support basic services, and even those, potentially not at current service levels. We need to continue to focus on providing services more efficiently and determine in what cases services can be modified or in what cases some services can be discontinued.

While the City of Mountain View, its City Council and staff will continue to maintain the tradition of quality public services and facilities, we will need to continue to prioritize and may not be able to accomplish as many tasks or always perform them in the same manner. Staff believes the City is in a solid financial position due to decisions made in prior fiscal years and will be better positioned to meet potential challenges as they arise in future years.

The Fund Schedule Section of this budget presents the City's financial picture in detail. Following this letter are Exhibits 1, 2, 3 and 4, which detail revenues and expenditures for Fiscal Year 2003-04 (audited actual), Fiscal Year 2004-05 (adopted and unaudited actual) and Fiscal Year 2005-06 (adopted) for the General Operating Fund and other funds.

MAJOR ACCOMPLISHMENTS FOR FISCAL YEAR 2004-05

The City has accomplished many things over the past fiscal year, even with decreased staff and financial resources. Attachment A provides a detailed list of accomplishments for Fiscal Year 2004-05.

MAJOR GOALS FOR FISCAL YEAR 2005-06

The City will be undertaking a wide variety of projects and assignments during Fiscal Year 2005-06. Although there are decreased staff and financial resources, there are important issues and projects to be addressed. Attachment B provides a list of goals the

City will be undertaking during Fiscal Year 2005-06. While this list is only a small portion of the overall workload of the organization, these goals are viewed as the most significant for the 2005-06 fiscal year. These goals are a result of City Council goal-setting Study Sessions on February 15 and March 29, 2005, and were formally adopted by the City Council on May 10, 2005 and reflect City Council priorities for Fiscal Year 2005-06. This list reflects both existing projects/issues that are carrying over into the new fiscal year as well as new topics and projects.

BUDGET HIGHLIGHTS

- **General Operating Fund**

General Operating Fund revenues adopted for Fiscal Year 2004-05 total \$72.4 million. The unaudited revenues for Fiscal Year 2004-05 total \$77.0 million (\$4.5 million or 6.2 percent more than the Adopted Budget).

General Operating Fund unaudited expenditures for Fiscal Year 2004-05 are \$67.8 million or 5.0 percent lower than the Adopted Budget of \$71.4 million. This is primarily a result of salary savings from vacant positions due to hiring restrictions, but also reflects the underexpenditure of budgets for various supplies and services accounts.

Adopted revenues for Fiscal Year 2005-06 are \$76.8 million, 6.0 percent higher than Fiscal Year 2004-05 adopted and 0.2 percent lower than Fiscal Year 2004-05 unaudited actual.

Fiscal Year 2005-06 adopted operating expenditures include unavoidable increases for items such as health insurance, retirement costs and employee group contract increases. Fiscal Year 2005-06 adopted operating expenditures also include significant reductions, including the net elimination of 4.25 full-time equivalent positions (5.0 FTE all funds) for a total of 55.35 full-time equivalent positions in the General Operating Fund over a four-year period (66.25 FTE all funds). With these changes, adopted expenditures are \$75.4 million, 5.6 percent higher than the Fiscal Year 2004-05 Adopted Budget. The Adopted Budget includes a reservation of revenues totaling \$1.4 million or 1.8 percent of revenues as an Economic Stabilization Contingency.

Shoreline Golf Links

Fiscal Year 2004-05 unaudited revenues are \$3.4 million compared to budgeted revenues of \$3.8 million. Unaudited expenditures are \$3.3 million compared to the Adopted Budget of \$3.6 million (both excluding the \$450,000 for recreation

programs). Shoreline Golf Links has an unaudited ending balance of \$2.0 million for Fiscal Year 2004-05.

For Fiscal Year 2005-06, adopted revenues are \$3.4 million, and adopted expenditures are \$3.7 million (including \$100,000 for recreation programs). This results in expenditures exceeding revenues by approximately \$245,000 and a projected ending balance of \$1.8 million.

- **Special Funds**

Revitalization Authority Fund

Fiscal Year 2004-05 unaudited revenues are \$3.9 million, \$705,000 more than the Adopted Budget of \$3.2 million. Unaudited expenditures are \$4.6 million (including \$1.4 million for capital projects and \$256,000 for ERAF III), \$203,000 more than the Adopted Budget. This variance is due to the ERAF III payment of \$256,000. The fund has an unaudited ending balance of \$2.7 million for Fiscal Year 2004-05.

Revenues for Fiscal Year 2005-06 are adopted at \$3.7 million, and expenditures are adopted at \$4.2 million (including capital projects of \$977,000 and \$256,000 for the second ERAF III payment). Without capital projects or the ERAF III payment, adopted revenues exceed expenditures by approximately \$686,000. The fund has a projected ending balance of \$3.0 million.

Shoreline Regional Park (North Bayshore) Community Fund

For Fiscal Year 2004-05, unaudited revenues are \$19.9 million compared to budget of \$20.6 million. This is primarily a result of lower property taxes due to high commercial vacancy rates. Unaudited expenditures are \$26.3 million (including capital projects of \$10.1 million and \$1.8 million for ERAF III), \$1.9 million more than the Adopted Budget of \$24.4 million. This is due to the ERAF III expenditure of \$1.8 million and prior year obligations carried over into the 2004-05 fiscal year. This fund has an unaudited balance of \$21.1 million for Fiscal Year 2004-05.

For Fiscal Year 2005-06, revenues are adopted at \$18.9 million, and adopted expenditures are \$25.7 million (including capital projects of \$8.1 million and the second \$1.8 million for ERAF III). The ending balance for Fiscal Year 2005-06 is projected at \$14.1 million.

Water Fund

Unaudited revenues for Fiscal Year 2004-05, excluding the \$9.4 million bond proceeds, are \$15.6 million, \$759,000 lower than the Adopted Budget of \$16.3 million. This is primarily due to water sales (and usage) lower than expected. Unaudited expenditures are \$26.7 million (including capital projects of \$12.5 million, of which \$9.4 million was related to Graham Reservoir and adopted midyear), \$246,000 lower than budgeted, excluding the \$9.4 million for the reservoir. This includes salary savings and other operating savings offset by the debt service for the new bonds approved during Fiscal Year 2004-05. This fund has an unaudited ending balance of \$5.7 million in addition to a reserve balance of \$5.6 million for Fiscal Year 2004-05.

A 5.0 percent rate increase was approved for Fiscal Year 2004-05 to fund a wholesale water increase and new ongoing operating costs associated with the Graham Reservoir/Playing Fields project.

For Fiscal Year 2005-06, no rate adjustment was adopted based on a decrease in the wholesale water rate adopted by the SFPUC offset partially by operating cost increases due primarily to retirement and health-care costs.

With no rate increase, adopted revenues for Fiscal Year 2005-06 are \$16.3 million. Adopted operating expenditures for Fiscal Year 2005-06 total \$20.2 million (including capital projects of \$5.3 million). The projected ending balance for Fiscal Year 2005-06 is \$2.7 million in addition to reserves of \$5.6 million.

Wastewater Fund

Unaudited revenues for Fiscal Year 2004-05 are \$11.2 million, \$240,000 lower than the budget of \$11.5 million. Wastewater service revenues are \$190,000 below budget. Hazardous Materials/Fire Safety permits and blended water revenues are also slightly below budget. Expenditures were originally adopted (including capital projects of \$1.6 million) at \$13.5 million. Fiscal Year 2004-05 unaudited expenditures are \$12.7 million (including capital projects of \$1.6 million). Each fall, a reconciliation of the prior fiscal year's actual treatment costs is performed. As the treatment plant had expenditure savings from budget, a credit of approximately \$554,000 for Fiscal Year 2003-04 wastewater treatment costs has been included, thereby reducing the amount owed during the 2004-05 fiscal year. The fund has an unaudited ending balance of \$3.1 million in addition to a reserve balance of \$8.0 million for Fiscal Year 2004-05.

Since Fiscal Year 2000-01, there has been an imbalance of ongoing revenues and expenditures. For each of the past three fiscal years, staff has recommended, and Council has approved, incremental rate increases of 8.0 percent, 8.0 percent and 9.0 percent to maintain the ongoing revenue/expenditure balance. However, this has not been sufficient to fund a base level of annual capital maintenance projects. Each fiscal year actual revenues have fallen short of budget projection and as costs have continued to rise, there has been a continued need for rate increases to keep revenues sufficient to cover operating expenditures alone (not including annual capital maintenance expenses).

During Fiscal Year 2004-05, staff completed a wastewater rate restructuring analysis and has recommended a minimum 10.0 percent increase in wastewater service revenues, which was adopted by Council. In addition, rates are to be restructured (phased in over three years) to more closely reflect the cost of providing the service to each customer class and program.

With these changes, Fiscal Year 2005-06 adopted revenues for this fund are \$12.3 million, and adopted operating expenditures (including capital projects of \$1.5 million) total \$14.3 million. The ending balance for Fiscal Year 2005-06 is projected at \$3.2 million in addition to a reserve balance of \$6.5 million.

Solid Waste Management Fund

A 3.0 percent general rate increase was adopted for Fiscal Year 2004-05. City unaudited revenues for Fiscal Year 2004-05 total \$7.6 million, essentially the same as the Adopted Budget of \$7.6 million.

City unaudited expenditures are \$7.9 million (excluding Foothill payment of \$8.9 million and including capital improvement projects of \$109,000) compared to the Adopted Budget of \$8.3 million (excluding payment to Foothill of \$9.0 million, but including capital improvement projects of \$109,000). The City underexpenditure from budget is related to salary savings from vacant positions and other operational savings. Also, a credit of approximately \$264,000 from the SMaRT[®] Station was received for Fiscal Year 2003-04, reducing disposal costs in the 2004-05 fiscal year. No significant credit for Fiscal Year 2004-05 is projected to be received in Fiscal Year 2005-06. The fund has an unaudited balance of \$5.9 million in addition to reserves of \$2.4 million for Fiscal Year 2004-05.

For Fiscal Year 2005-06, a 6.0 percent general rate increase was adopted to fund increases associated with collection, recycling and disposal.

With a 6.0 percent general rate increase, revenues for Fiscal Year 2005-06 are adopted at \$7.9 million (excluding Foothill Disposal Company revenues of \$9.4 million), and adopted expenditures are \$9.0 million (excluding payments to Foothill Disposal Company of \$9.4 million). Adopted expenditures exceed adopted revenues due in part to one-time costs. Staff believes this imbalance is acceptable due to a significant balance in this fund and the anticipated normal underexpenditure of budget at year end. The ending balance for Fiscal Year 2005-06 is projected at \$5.1 million in addition to reserves of \$2.4 million.

- **Reserves**

The City has accumulated \$11.4 million in unallocated carryover from prior fiscal years. This will be supplemented by the balance of the Fiscal Year 2004-05 carry-over not allocated in the Adopted Budget and a \$5.0 million surplus from the Senior Center project. The 2004-05 fiscal year's unaudited carryover is \$9.3 million. Council has approved one-time funding and supplementing of reserves from the unaudited Fiscal Year 2004-05 carryover as follows:

- The second of two \$1.4 million annual General Fund ERAF III impacts.
- Supplements of \$370,000 and \$290,000 for the Operating and Long-Term Contingency Reserves, respectively, to meet policy levels.
- A supplement of \$5.0 million to the Strategic Property Acquisition Reserve from excess Senior Center project funding.
- A supplement of \$1.0 million to the Compensated Absence Reserve in order to maintain the target balance during Fiscal Year 2005-06.
- Funding for one-time expenditures and rebudget items of \$683,000 and capital outlay expenditures above the base included in the Operating Budget of \$432,000.

In this Adopted Budget, reserves are consistent with the City's financial policies that ensure reserves will be maintained at prudent levels. As noted earlier, there remains an unallocated balance from prior fiscal years of \$11.4 million. There are outstanding liabilities, especially related to retirees' health care, that need to be addressed. It is anticipated that this liability has grown substantially. Once the actuarial liability for retirees' health care is presented to Council and after the close of the City's financial records for Fiscal Year 2004-05, recommendations regarding the remainder of any unallocated balance from the 2004-05 fiscal year will be brought forward.

- **Capital Improvement Projects, Capital Outlay and Equipment Replacement**

On May 10, 2005, the Capital Improvement Plan for Fiscal Year 2005-06 was adopted in the amount of \$25.1 million. The Adopted Budget includes funding for these projects. A detailed list of adopted capital projects is included in the Statistical Section.

Included in the Fiscal Year 2005-06 Adopted Budget is \$200,000 for capital outlay expenditures in the General Operating Fund. An additional \$537,000 of capital outlay is adopted for other funds for a total of \$737,000.

In addition, approximately \$2.3 million is included in the Fiscal Year 2005-06 Adopted Budget for equipment replacement in accordance with the equipment replacement plan. The General Operating Fund, Special Funds and the Enterprise (Utility) Funds all contribute to the Equipment Replacement Fund.

Detailed lists of adopted capital outlay expenditures and adopted equipment replacement expenditures are included in the Statistical Section of this document.

The following sections describe the budget process, the basis of accounting utilized by the City of Mountain View and the budget amendment process.

THE BUDGET PROCESS

The budget process begins in November of each year, when all City departments begin preparation of their budget proposals for the upcoming fiscal year.

Departments submit budget requests to the Budget Review Team (consisting of the Assistant City Manager and the Finance and Administrative Services Director) in late December. The Budget Review Team reviews these requests and submits recommendations to the City Manager.

The City Manager assesses the Budget Review Team's recommendations, meets with department heads for further discussion and typically submits recommendations to the City Council in the form of the Narrative Budget Report in May. The Council received an early preview of the Fiscal Year 2005-06 budget at a budget review Study Session held in February and the Midyear Budget Status Report, also presented in February.

On March 29, 2005, at the request of Council, the Council received the City Manager's recommendations earlier than usual for the General Operating Fund. The other funds were presented to the City Council on May 3, 2005. The City Council is then able to

review and discuss the recommendations and consider the budget prior to the presentation of the Proposed Budget.

The Proposed Budget is presented to the City Council in early June and considered at public hearings. The City's annual budget must be adopted prior to the beginning of each fiscal year (July 1).

FINANCIAL AND BUDGETARY POLICIES

The City Council has established financial and budgetary policies which are reviewed and updated as necessary by the City Council. A comprehensive and consistent set of financial and budgetary policies provides a basis for sound financial planning, identifies appropriate directions for service level development, aids budgetary decision-making and serves as an overall framework to guide financial management and operations of the City.

A city's adoption of financial policies also promotes public confidence and increases the City's credibility in the eyes of bond rating agencies and potential investors. Such policies also provide the resources to react to potential financial emergencies in a prudent manner.

A summary of financial and budgetary policies is included in the Statistical Section of this document.

BUDGET AMENDMENT PROCESS

Pursuant to financial policy, budgets are approved at the fund and department level (legal level of control) and may not be exceeded without City Council approval. Transfers and adjustments between funds, departments and capital projects must be submitted to the City Council for approval. The City Charter requires approval by five votes of the seven-member City Council to amend the budget.

Budget adjustments are also required for grants and reimbursed services that were not anticipated or budgeted. Council Resolution No. 15443 authorizes the Finance and Administrative Services Director and the City Manager to increase appropriations up to \$10,000 and \$40,000 (indexed for inflation), respectively, when outside grants or reimbursement revenues have been received to offset expenditures that were not anticipated or budgeted. If the grant or reimbursement is not within the City Manager's level of authorization, a request for an appropriation increase must be submitted to the City Council for approval (five votes required).

Department heads are responsible for managing expenditures within their budget and assuring funds are only expended for properly authorized City expenses. Department heads are also responsible for expending funds consistent with the goals and objectives approved by the City Council.

BASIS OF BUDGETING

All Governmental Fund Type annual budgets are presented on a basis consistent with the general purpose financial statements prepared in accordance with generally accepted accounting principles. The City's Fiscal Year 2003-04 Comprehensive Annual Financial Report was prepared in accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement No. 34 and provides the government-wide financial statements in addition to the fund financial statements. The accounting and financial reporting treatment applied to the fund financial statements is determined by the measurement focus of the individual fund.

Governmental Fund Types are accounted for using the modified accrual basis of accounting. Revenues are recorded as received, or accrued if they are both measurable and available to finance expenditures of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recorded when paid.

Proprietary Fund Types are accounted for using the accrual basis of accounting wherein revenues, unbilled or billed, are recognized in the accounting period in which they are earned, and expenses are recognized in the period liabilities are incurred. For budgetary purposes, capital projects are appropriated for the estimated cost of the total project. These financial uses of funds are not reflected as expenses in the City's financial statements but are capitalized and depreciated in accordance with generally accepted accounting principles.

COST ALLOCATION PLAN

The City prepares an A-87, cost allocation plan, to identify the costs associated with providing certain services. These indirect charges, noted as General Fund Administration on the Fund Schedules, reimburse the General Operating Fund for services such as those provided by the City Attorney, Employee Services, Payroll, Accounts Payable and Information Services. The full cost allocation plan delineates the basis of allocation by department and can include the total operating budget, the number of full-time equivalent positions per department, the number of work requests, square footage occupied, number of items processed, number of applicable devices, etc.

The City also has six Internal Service Funds that provide services to all major funds within the City and, in turn, charge these funds for the cost of providing services. Revenues received for providing services are noted as Interfund Service Charges on the Fund Schedules.

DEBT ADMINISTRATION

As of June 30, 2005, the City will have various debt obligations outstanding. These obligations are comprised of (dollars in thousands):

<u>Entity</u>	<u>Principal Outstanding</u>
City of Mountain View	\$8,870
Shoreline Regional Park Community	\$50,455
Revitalization Authority	\$22,839
Water Enterprise Fund	\$9,335
Special Assessment Debt	\$1,451

The City of Mountain View's 2001 debt was issued to refinance and call bonds on the City lease component of the 1992 Capital Improvement Financing Authority Revenue Bonds.

The Shoreline Regional Park Community (the Community) has three outstanding tax allocation bond issues. The 1996 Series A Bonds were issued to fund the acquisition of certain land from the City and to fund road, water, sewer and other public improvements along certain roadways. The 2001 Refunding Bonds were issued to refinance and call bonds on the 1992 Refunding Bonds. The 2004 Refunding Bonds were issued to refinance the 1993 Series A Bonds (which were issued to finance certain landfill closure projects and other public improvements within the Community).

The Revitalization Authority funds debt service payments for the 2003 Refunding Certificates of Participation and capital project debt issuance. The Certificates were issued to refinance all of the outstanding Revitalization Authority 1995 refunding Certificates of Participation (which refunded the 1986 Tax Allocation Bonds issued for the reconstruction of Castro Street), and issue new debt for the California/Bryant Downtown Parking Structure. The Revitalization Authority also funds debt payments for the 2003 Tax Allocation Bonds issued to fund miscellaneous capital projects in the redevelopment area and to fund low- and medium-income housing funded by the 20 percent Housing Set-Aside funds of the Authority.

Water Revenue Bonds were issued in 2004 to fund construction of infrastructure to expand the City's water storage capacity.

Special Assessment Debt consists of various issues to finance property owner improvements within the City.

CALCULATION OF APPROPRIATIONS LIMIT

The City is required by the State Constitution, Article XIII B, to annually calculate the maximum amount of appropriations subject to limitation. This calculation is intended to limit the annual growth in tax revenues used to fund governmental expenditures in California. Article XIII B was changed with the passage of Proposition 111 on the June 1990 ballot. These changes permit greater flexibility with regard to annually calculating increases in the appropriations limit by allowing additional growth factors to be used. The factors permitting the maximum allowable increase in the appropriations limit are chosen for the calculation each fiscal year.

As can be seen below, the City is substantially under its appropriations limit. The difference between the appropriations limit and the appropriations subject to limitation has grown over the past decade as the limit has been substantially increased by the annual adjustment factors.

This, combined with the comparatively slower pace of growth in proceeds of taxes over the same time period, has contributed to the amount under the appropriations limit.

Fiscal Year 2004-05 Limit	\$143,410,989
2004-05 Population Change in City of Mountain View	1.0112
2004-05 Change in Per Capita Personal Income	<u>1.0526</u>
Fiscal Year 2005-06 Limit	152,645,096
Fiscal Year 2005-06 Budget Amount Subject to Limitation	<u>47,205,856</u>
Amount Under Appropriation Limit	<u>\$105,439,240</u>

AWARDS

For the 12th time, the Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Mountain View for the Fiscal Year 2004-05 annual budget.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and a communications device.

In addition, for the 19th year, the California Society of Municipal Finance Officers (CSMFO) has presented the City with an award for Excellence in Operational Budgeting for the Fiscal Year 2004-05 budget documents.

The awards are valid for a period of one year only. The Fiscal Year 2005-06 budget documents continue to conform to program requirements and will be submitted to GFOA and CSMFO to determine eligibility for another award.

CONCLUSION

Although revenues are seeing the strongest signs of growth since Fiscal Year 2000-01, this has been another challenging year for preparing the City's budget. The positive aspect of the last four difficult budget processes is that the budget has been "responsibly balanced" by addressing the structural deficit in revenues, and the City has been placed in an effective position to deal with continued economic uncertainty. It provides a financial plan that does not transfer challenges into future years.

Fiscal Year 2005-06 adopted General Operating Fund revenues are \$76.8 million, and adopted expenditures are \$75.4 million. There is no revenue balance after reserving for the Economic Stabilization Contingency of \$1.4 million. General Operating Fund revenues for Fiscal Year 2005-06 are projected to be 6.0 percent higher than Fiscal Year 2004-05 adopted revenues.

The Shoreline Golf Links operations are experiencing lower revenues as a result of the continuing sluggish economy. Revenues are sufficient to fund expenditures for operations but are insufficient to fund equipment replacement and to provide supplemental recreation funding.

The Revitalization Authority has seen an increase in its tax increment revenues and has sufficient financial capacity to meet ongoing operating costs. The Shoreline Regional Park Community continues to experience high commercial vacancy rates and it is projected that unsecured property tax increment revenue will continue to decline during the 2005-06 fiscal year. Both the Authority and Community will be impacted by the second year of ERAF III.

No rate adjustment was adopted for the Water Fund due to a wholesale water rate reduction, partially offset by increased operating costs mainly due to health care and retirement.

A 10.0 percent increase, along with rate restructuring, was adopted in the Wastewater Fund for Fiscal Year 2005-06 to move toward balancing ongoing revenues against expenditures based on the cost of services and to fund a baseline level of annual capital maintenance projects. The rate restructuring plan is proposed to be phased in over three years.

A 6.0 percent rate increase was adopted in the Solid Waste Fund for Fiscal Year 2005-06 to fund cost associated with collection, recycling and disposal.

Reserves are generally in good condition, and there are supplemental allocations to be funded by the General Fund carryover balance.

Little revenue growth over the past four years has resulted in the operating expenditure adjustments being needed in order to maintain the City's financial health into the future. The Five-Year Forecast for the General Operating Fund points out the need for continued careful expenditure management.

Many staff members have contributed significantly to the preparation of this document. All department heads have shown the type of teamwork, cooperative spirit and creativity necessary for this process to be successful. I would particularly like to thank Assistant City Manager Nadine Levin, Finance and Administrative Services Director Robert Locke, Assistant Finance and Administrative Services Director Patty Kong and Principal Financial Analysts Helen Ansted and Suzy Niederhofer for their assistance with the Operating Budget. I would also like to thank Police Lieutenant Max Bosel for his assistance with the capital outlay process and the Document Processing and Copy Center staff for their constant support in the preparation of this document.



Kevin C. Duggan
City Manager

KCD/SN/5/BUD
541-06-01-06L^

Enclosures

MAJOR ACCOMPLISHMENTS

FISCAL YEAR 2004-05

- Completed the new Senior Center design and awarded a construction contract.
- Began work on the development of Affordable Housing Strategies.
- Completed the design of the California/Bryant Parking Structure.
- Facilitated the beginning of construction on the Efficiency Studios Housing Project.
- Adopted Rowhouse Guidelines and development standards.
- Entered into an agreement with Alza Corporation to convert landfill gas to energy.
- Secured \$4,932,000 in grants to support various City initiatives, such as the Stevens Creek Trail, reclaimed water and micro-turbines.
- Completed townhouse amendments for higher floor area ratio.
- Began the design work for Reach 4, Segment 2, of the Stevens Creek Trail (Yuba Drive through El Camino Real).
- Adopted guidelines regarding rezoning industrial sites to residential use.
- Completed a feasibility study and began design work for the Permanente Creek Trail over Highway 101.
- Completed design and awarded construction contracts for the following elements of the Graham Reservoir/play field joint project with the school district: reservoir tank, pump station, pipeline and well.
- Completed acquisition of one of the Moffett gateway parcels and continued working with Caltrans regarding consolidation of the remaining property.
- Developed a Joint Powers Agreement with Mountain View school districts to create an Educational Enhancement Reserve using Shoreline Regional Park Community funds.
- Completed negotiations and entered into an agreement with Santa Clara County regarding Shoreline Community tax increment.

- Continued design of the new athletic fields for the Graham Reservoir project.
- Began design of Devonshire Park.
- Completed Evelyn Avenue improvements.
- Began renovation of the Shoreline Golf Links Pro Shop and new golf car facility.
- Completed negotiation and a lease with Avenidas for a Senior Day Health-Care Facility.
- Completed the first segment of the Hetch-Hetchy Trail.
- Expanded the after-school All Stars Program to Monta Loma and Slater Schools.
- Completed design of Americans with Disabilities Act (ADA) playground improvements for Klein and Jackson Parks and began construction of Bubb Park improvements.
- Conducted the 2004 Mayor's Youth Conference.
- Completed the Fiscal Year 2005-06 budget process, resulting in a balanced General Fund budget.
- Administered the General Municipal Election on November 2, 2004.
- Completed a cost and feasibility analysis for the City's assumption of fire protection and emergency medical services at Moffett Field, and submitted a proposal to NASA for review/consideration.
- Continued review and comment on environmental cleanup proposals at Moffett Federal Airfield and other groundwater contamination sites.
- Completed a Library space utilization study and developed recommendations to address space needs.
- Received a global languages grant to purchase Library materials in other languages, including Hindi, Russian and Chinese.
- Began the downtown infrastructure refurbishment project and Phase 1 of the Castro Street tree replacement project.

- Completed Phase 1 of the centralized irrigation system project in the North Bayshore Area.
- Issued water bonds to finance construction of the Graham Reservoir.
- Implemented storm water runoff guidelines.
- Undertook an analysis of a new R4 development zone for high-density residential.
- Continued work on Mayfield Mall, including developing alternatives for the Environmental Impact Report and Precise Plan.
- Coordinated planning and design review of private development projects, including: Palo Alto Medical Foundation and Americana Precise Plan update; El Camino Hospital Precise Plan Amendments and Planned Community Permit; Mountain View BMW expansion; Charleston Plaza; Costco expansion; Mountain View Hotel; Avenidas Senior Day Health Center; various retail/office developments and rezonings; and various residential developments.
- Began design of the Shoreline Maintenance Facility incorporating green building concepts.
- Implemented a City-wide centralized long-term information storage system.
- Recruited a retail tenant for the California/Bryant Parking Structure.
- Received a \$205,000 State Workforce Housing Reward Program Award for significant progress in meeting the community's housing needs.
- Sponsored a workshop with Project Sentinel on tenant rights and responsibilities.
- Completed the 2005 Five-Year Implementation Plan for the Downtown Revitalization District.
- Completed a wastewater rate structure review and implemented Council-adopted changes.
- Adopted an Historic Preservation Ordinance.
- Secured Homeland Security Grant funding for backfill for military leave, anti-terrorism training, Tools For Tolerance training, Homeland Security Site Inspection Team and other homeland security-related training.

- Established interim Caltrain parking to alleviate the Caltrain parking shortage due to the Baby Bullet success.
- Sold a City surplus property generating \$800,000 in revenue.
- Implemented the Economic Development Strategy and Action Plan.
- Assisted Google with starting a child-care center at Theuerkauf School.
- Received a grant from PG&E to develop a multimedia CD to promote Mountain View.
- Completed design of a new Shoreline Sailing Lake water supply system.
- Implemented the new Campaign Finance Ordinance.
- Began the Library's Centennial Celebration.
- Implemented a Library "express reserve" system for quicker customer service.
- Developed a City employee succession plan.
- Designated City fire stations as safe-haven sites under the Safely Surrendered Baby Law.
- Organized free anti-bullying training for approximately 30 school, City and community agency staff.
- Developed a funding strategy for a child-care center.
- Continued implementation of the Downtown Retail Recruitment strategy, including conducting the second virtual downtown retail broker tour.
- Completed the selection of public art for the Shoreline Golf Clubhouse, the Senior Center and the downtown parking structure.
- Completed the 2005-10 Consolidated Plan for housing and social service programs.
- Completed construction of the Rengstorff House water tank project.
- Coordinated with Congresswoman Eshoo's office to successfully oppose the proposed relocation of the Air National Guard 129th Rescue Wing.

- Continued monitoring issues and progress relative to the privatization and redevelopment of the military housing associated with Moffett Federal Airfield.
- Secured an Office of Traffic Safety Grant for a total of \$179,000 for traffic enforcement activities.
- Received grants for child safety seat education, fire safety and fall prevention for older adults, and a Library "Target on the Arts" program.
- Participated in the first regional marketing initiative through the Silicon Valley Economic Development Alliance.
- Conducted the first "Fall Festival" to attract new businesses to the North Bayshore.
- Installed speed feedback signs around all schools in the City.
- Renewed the Chamber of Commerce lease.
- Enhanced the Library's web page with timely information, improved graphics, an events calendar and an FAQ section.
- Received recognition for the third year in a row for having the highest number of driving under the influence (DUI) arrests for like-sized agencies.
- Introduced reconfigured Police patrol vehicles.
- Secured U.S. Department of Homeland Security Assistance to Firefighters Grant (AFG) funding to upgrade self-contained breathing apparatus equipment to achieve compliance with chemical, biological, radiological and nuclear agent testing standards.

AWARDS/RECOGNITIONS

- Excellence in Budget Documents and the City's Comprehensive Annual Financial Report from GFOA and CSMFO.
- Implementing Best Practices in Information Technology Services from the Municipal Information Systems Association of California.
- Excellence in Purchasing Operations from the California Association of Purchasing Officers.

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FY 2005-06 MAJOR CITY GOALS
(Adopted May 10, 2005)

- Conduct resident/customer services satisfaction survey.
- Initiate Cuesta Park Annex master planning process.
- Initiate a process to review the costs of capital improvement projects.
- Develop a strategy to invest in energy conservation measures to reduce ongoing operating costs, including an evaluation of renewable energy opportunities.
- Evaluate alternative uses for the Centennial Plaza train station building.
- Evaluate opportunities for extending Hetch-Hetchy Trail.
- Implement Historic Preservation Ordinance follow-up items (historic resources inventory, tax rebate program).
- Implement upgrades to the City's web site (including CitySeek system replacement).
- Complete development of an Affordable Housing Strategy.
- Complete and begin implementation of the Community Center Child-Care Center funding and development plan.
- Amend the Charleston East site zoning to delete the nonprofit use designation.
- Develop minimum-density requirements for housing projects.
- Complete the design for and construct a Permanente Creek pedestrian/bicycle overcrossing over U.S. 101.
- Design and construct a bicycle boulevard route and continue review of additional potential bicycle boulevard routes.
- Continue the cable television franchise renewal process.
- Continue coordination of Shoreline Amphitheatre operating issues/litigation.
- Support Palo Alto Medical Foundation project construction.

- Support El Camino Hospital redevelopment project construction.
- Continue support of the efficiency studios housing project construction.
- Continue processing of the Mayfield site EIR/zoning.
- Continue processing of the Central Park Apartments rezoning and General Plan amendment.
- Implement the Mobile Library Services Program.
- Complete Miramonte Reservoir expansion construction.
- Continue coordination with the Valley Transportation Authority regarding Highway 85/U.S. 101 interchange project construction.
- Complete design of and the acquisition of properties for the Stevens Creek Trail extension (Yuba Drive trail head to south of El Camino Real).
- Implement a marketing strategy for the redevelopment of downtown City-owned properties.
- Complete the design and construct Devonshire Park.
- Complete design and commence construction of California Street/Bryant Street parking structure.
- Complete renovation and expansion of Shoreline Golf Links Pro Shop.
- Begin construction of the new Senior Center facility/continue support of the Avenidas Senior Day-Care facility construction.
- Reconstruct Shoreline Boulevard within Shoreline at Mountain View Park.
- Construct the Shoreline maintenance facility.
- Continue studying the impacts of the use of recycled water for irrigation in the City's North Bayshore Area and initiate system design phase.
- Continue Moffett Boulevard/Highway 101 Gateway property acquisition efforts.
- Begin construction of Stevens Creek Trail overcrossing over Moffett Boulevard.

- Complete construction of Graham Reservoir/well/play field project.
- Explore the potential development of new athletic fields at Whisman School/Park, Shoreline at Mountain View Six-Acre Site and Conference Center/Kite Lot.
- Develop funding strategy for Retirees' Health Insurance Program.
- Process rezoning of 291 Evandale Avenue.
- Explore possible locations/cost estimates for establishing one or more additional community gardens.
- Replace the utility billing system.
- Convert the Library Computer Center to a Computer Training Center.
- Evaluate creation of an Economic Development Task Force.
- Implement department/programmatic cost of service reviews.
- Develop a Fire engine fleet replacement strategy.
- Undertake a Recreation, Strategic Plan process.
- Prepare an analysis of alternatives for providing fire suppression and emergency medical services in the North Bayshore Area.

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TOTAL FUND REVENUES

	AUDITED ACTUAL 2003-04	ADOPTED BUDGET 2004-05	UNAUDITED 2004-05	ADOPTED BUDGET 2005-06
GENERAL FUND	\$ 71,778,854	72,451,570	76,967,159	76,779,337
GF - SHORELINE GOLF LINKS	3,582,611	3,839,605	3,408,102	3,448,335
RESERVES	12,503,820	12,106,129	24,387,222	11,250,129
GAS TAX	1,691,393	1,388,312	1,377,345	1,436,810
CONVEYANCE TAX	4,035,281	1,890,760	4,883,073	2,467,890
BELOW MARKET HOUSING	750,389	40,860	754,452	76,401
HOUSING IMPACT	11,219	0	24,938	1,568
TRANSIT ORIENTED DEVELOPMENT	73,865	67,960	37,322	49,147
REVITALIZATION AUTHORITY	13,710,915	3,224,550	3,929,525	3,680,330
BENEFIT ASSESSMENT DISTRICT	448,783	474,642	490,587	490,967
SUPPLEMENTAL LAW ENFCMNT	107,835	99,447	105,128	100,000
C.D.B.G.	451,750	1,364,333	1,844,891	1,297,817
LOCAL LAW ENFCMT BLOCK GRT	67,607	7,756	29,647	2,557
CABLE T.V.	656,872	659,000	690,671	673,000
SHORELINE COMMUNITY	22,420,477	20,626,731	19,852,703	18,863,330
STORM DRAIN CONSTRUCTION	64,509	38,198	34,676	40,882
PARK LAND DEDICATION	719,943	292,124	1,146,263	327,875
WATER	16,931,972	16,349,973	25,018,997	16,284,400
WASTEWATER	10,557,720	11,451,727	11,211,609	12,259,038
SOLID WASTE	7,987,944	7,624,171	7,616,248	7,930,009
EQUIPMENT MAINTENANCE	3,079,024	3,100,546	3,050,480	3,178,080
WORKERS COMPENSATION	2,374,132	1,494,274	1,296,012	1,573,094
UNEMPLOYMENT	65,433	18,490	17,693	19,180
LIABILITY	1,055,336	1,040,320	1,140,579	1,121,981
RETIREEES HEALTH	624,265	3,997,204	4,006,324	1,247,856
EMPLOYEE BENEFITS	74,592	74,010	67,432	69,687
TOTAL	\$ 175,826,541	163,722,692	193,389,078	164,669,700

TOTAL FUND EXPENDITURES

	AUDITED ACTUAL 2003-04	ADOPTED BUDGET 2004-05	UNAUDITED 2004-05	ADOPTED BUDGET 2005-06
GENERAL FUND	\$ 65,476,702	71,417,552	67,844,852	75,399,259
GF - SHORELINE GOLF LINKS	3,615,895	4,079,687	3,344,077	3,693,112
RESERVES	2,464,550	17,196,898	14,866,327	22,931,818
GAS TAX	1,464,683	1,082,290	1,082,290	1,465,720
CONVEYANCE TAX	3,203,282	3,267,424	3,267,424	4,953,668
BELOW MARKET HOUSING	231,696	60,000	108,782	42,069
HOUSING IMPACT	0	0	0	0
TRANSIT ORIENTED DEVELOPMENT	697,782	0	0	0
REVITALIZATION AUTHORITY	9,797,886	4,421,045	4,624,163	4,226,337
BENEFIT ASSESSMENT DISTRICT	310,555	495,228	421,433	365,563
SUPPLEMENTAL LAW ENFCMNT	105,597	98,884	61,270	93,337
C.D.B.G.	451,750	1,340,427	1,846,228	1,987,062
LOCAL LAW ENFCMT BLOCK GRT	123,521	100,834	108,188	0
CABLE T.V.	1,391,501	733,200	712,489	735,412
SHORELINE COMMUNITY	35,097,306	24,386,469	26,326,972	25,662,454
STORM DRAIN CONSTRUCTION	26,218	26,007	26,007	26,000
PARK LAND DEDICATION	832,162	555,539	1,095,041	76,468
WATER	16,232,104	17,536,329	26,710,955	20,174,131
WASTEWATER	12,466,479	13,541,095	12,664,675	14,251,444
SOLID WASTE	7,957,022	8,252,912	7,940,448	8,968,007
EQUIPMENT MAINTENANCE	2,064,646	4,285,382	2,852,846	4,085,649
WORKERS COMPENSATION	1,216,068	1,558,000	1,601,869	1,558,000
UNEMPLOYMENT	87,670	80,000	88,128	80,000
LIABILITY	1,913,871	1,415,550	687,260	1,415,550
RETIREEES HEALTH	905,700	1,068,358	1,020,461	1,148,804
EMPLOYEE BENEFITS	131,782	110,927	49,926	108,040
TOTAL	\$ 168,266,428	177,110,037	179,352,111	193,447,904

GENERAL OPERATING FUND REVENUES

<u>FISCAL YEAR</u>	<u>OPERATING REVENUE</u>	<u>% CHANGE FROM PRIOR YEAR</u>
1996-97	\$64,510,000	12.9%
1997-98	\$67,027,000	3.9%
1998-99	\$67,900,000	1.3%
1999-2000	\$74,712,000	10.0%
2000-01	\$82,708,000	10.7%
2001-02	\$72,631,000	(12.2%)
2002-03	\$70,736,000	(2.6%)
2003-04	\$71,779,000	1.5%
2004-05 *	\$76,967,000	7.2%
2005-06 **	\$76,779,000	(0.2%)

* Unaudited

** Adopted

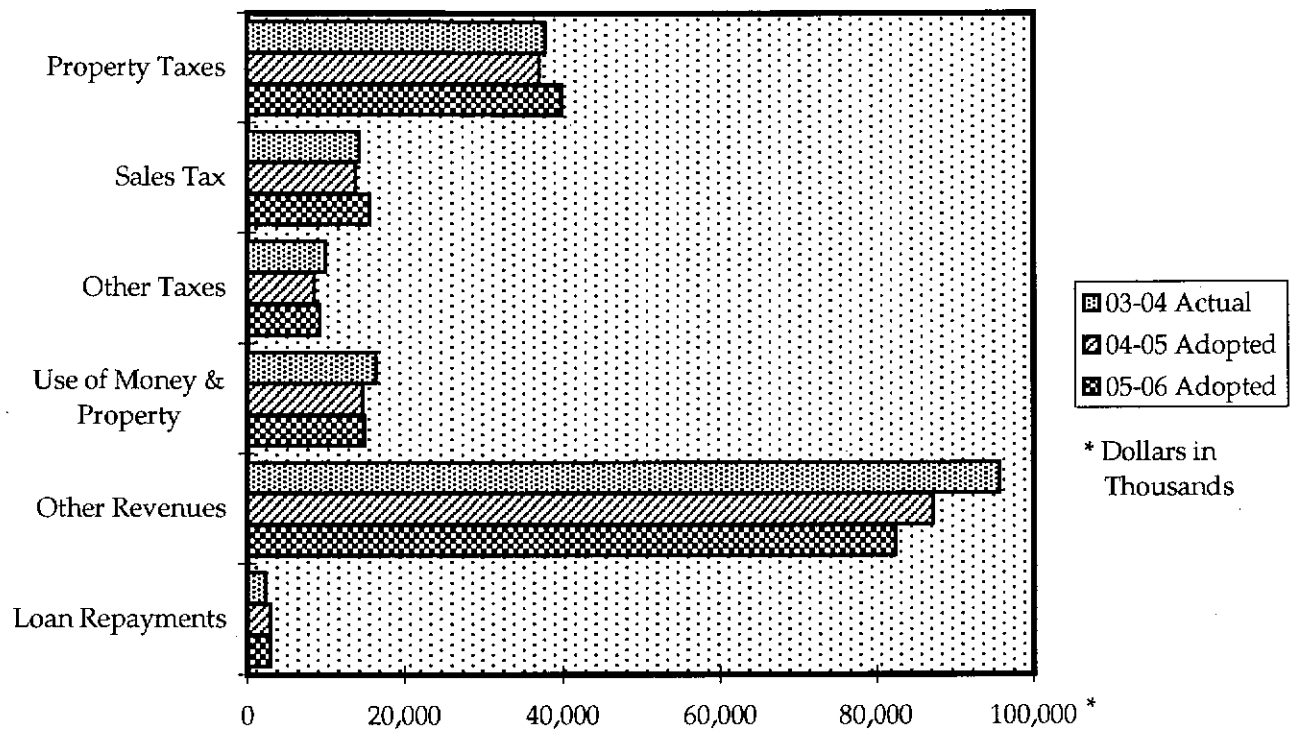
GENERAL OPERATING FUND EXPENDITURES

<u>FISCAL YEAR</u>	<u>OPERATING EXPENDITURES</u>	<u>% CHANGE FROM PRIOR YEAR</u>
1996-97	\$50,723,000	6.6%
1997-98	\$54,056,000	6.6%
1998-99	\$58,341,000	7.9%
1999-2000	\$59,846,000	2.6%
2000-01	\$62,057,000	3.7%
2001-02	\$67,281,000	8.4%
2002-03	\$66,340,000	(1.4%)
2003-04	\$65,477,000	(1.3%)
2004-05 *	\$67,845,000	3.6%
2005-06 **	\$75,399,000	11.1%

* Unaudited

** Adopted

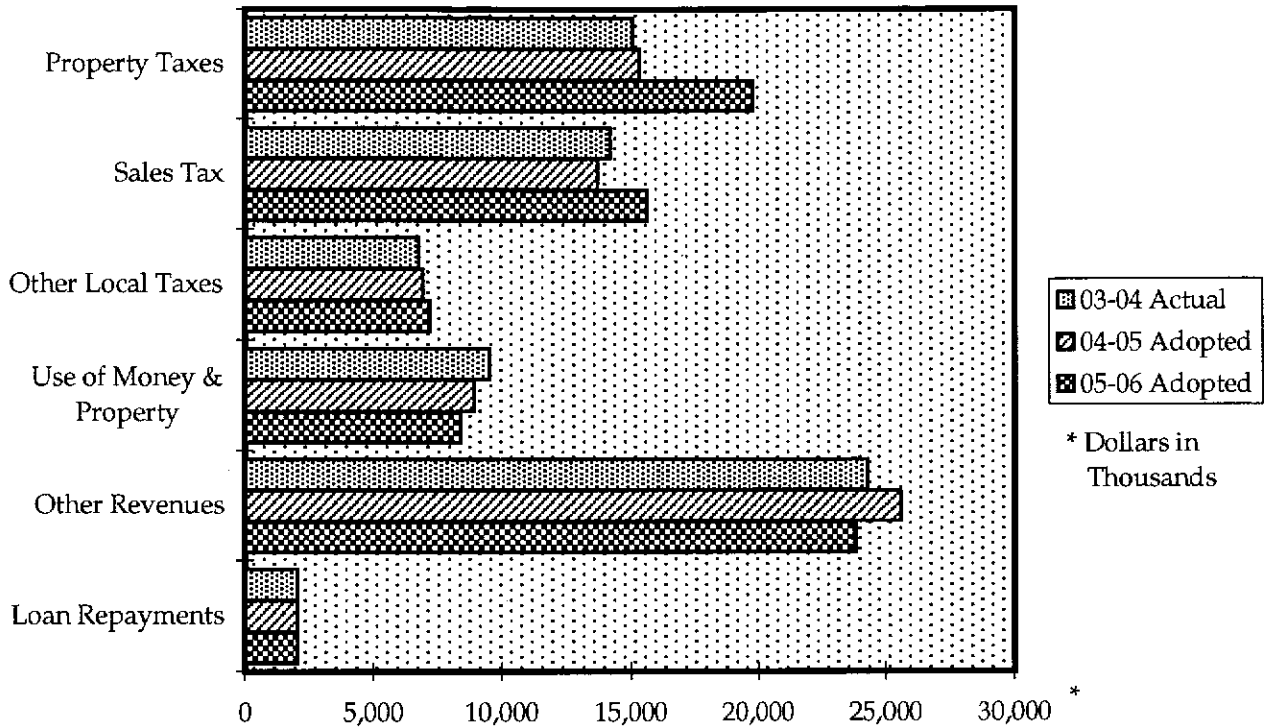
TOTAL FUND REVENUES



<u>Revenue Category</u>	<u>Actual 2003-04</u>	<u>Adopted 2004-05</u>	<u>Adopted 2005-06</u>	<u>Percent Change **</u>
Property Taxes	\$ 37,657,443	36,910,535	39,719,268	7.6%
Sales Tax	14,158,515	13,681,290	15,607,048	14.1%
Other Local Taxes	9,868,361	8,452,480	9,219,394	9.1%
Use of Money and Property	16,287,781	14,607,310	14,807,762	1.4%
Other Revenues:				
Licenses & Permits	6,152,839	5,789,368	6,158,265	6.4%
Fines & Forfeitures	609,756	668,540	645,000	(3.5%)
Intergovernmental	6,055,639	7,696,443	3,836,057	(50.2%)
Charges for Current Services	38,033,501	39,334,737	40,962,969	4.1%
Other Revenues	14,016,619	1,571,220	1,675,354	6.6%
Interfund Revenues & Transfers	30,822,032	32,180,275	29,208,090	(9.2%)
Loan Repayments	2,164,055	2,830,494	2,830,493	(0.0%)
TOTAL	\$ 175,826,541	163,722,692	164,669,700	0.6%

** Percent Change From Prior Year Adopted to Current Year Adopted Budget.

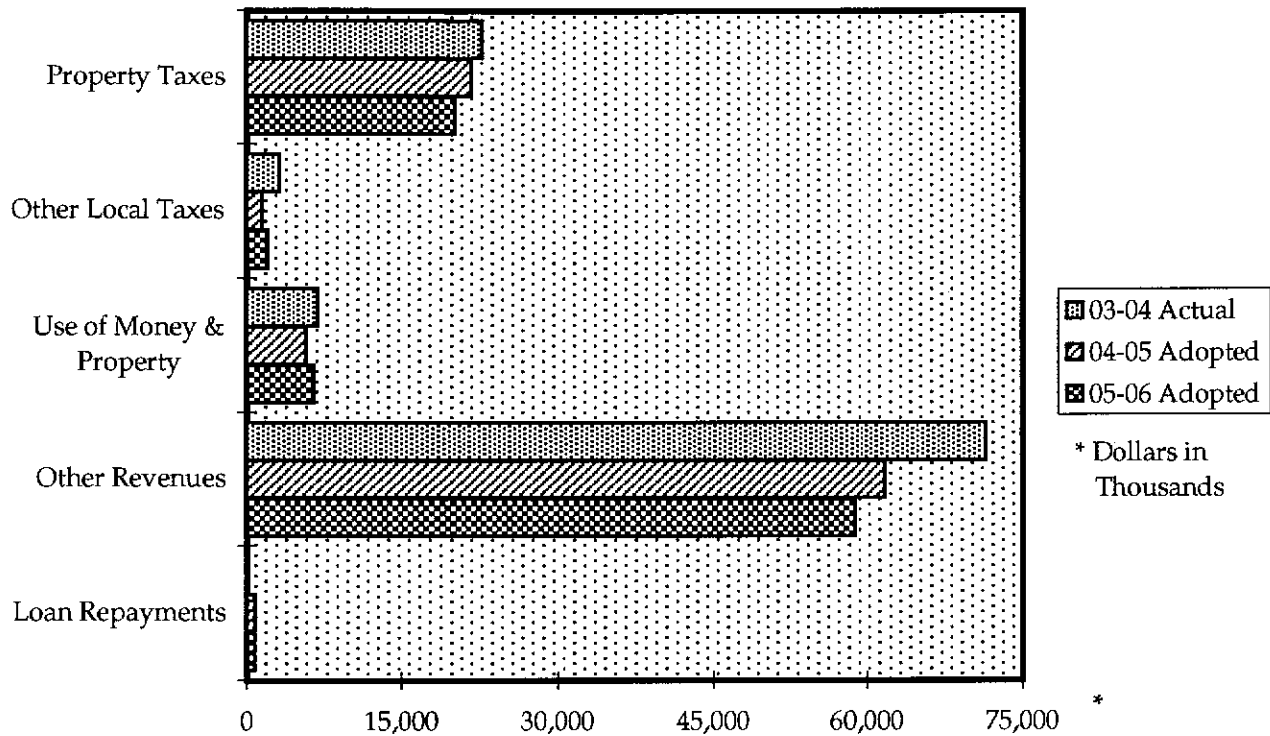
GENERAL OPERATING FUND REVENUES



<u>Revenue Category</u>	<u>Actual 2003-04</u>	<u>Adopted 2004-05</u>	<u>Adopted 2005-06</u>	<u>Percent Change **</u>
Property Taxes	\$ 15,015,950	15,291,738	19,749,697	29.2%
Sales tax	14,158,515	13,681,290	15,607,048	14.1%
Other Local Taxes	6,794,080	6,944,480	7,209,394	3.8%
Use of Money and Property	9,490,818	8,914,937	8,374,489	(6.1%)
Other Revenues:				
Licenses, Permits & Fees	4,556,336	4,644,113	4,998,210	7.6%
Fines & Forfeitures	609,756	668,540	645,000	(3.5%)
Intergovernmental	3,997,087	4,817,140	972,680	(79.8%)
Charges for Current Services	2,371,320	2,919,163	3,890,979	33.3%
Other Revenues	1,433,573	1,152,120	1,186,854	3.0%
Interfund Revenues & Transfers	11,291,666	11,358,295	12,085,232	6.4%
Loan Repayments	2,059,753	2,059,754	2,059,754	0.0%
TOTAL	\$ 71,778,854	72,451,570	76,779,337	6.0%

** Percent Change From Prior Year Adopted to Current Year Adopted Budget.

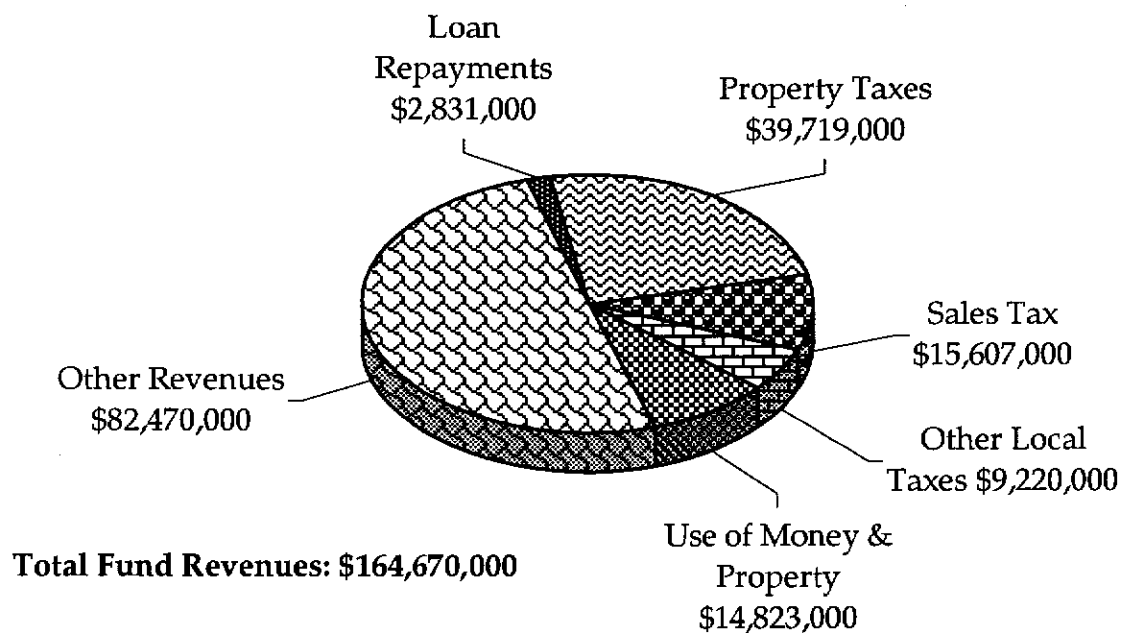
OTHER FUND REVENUES



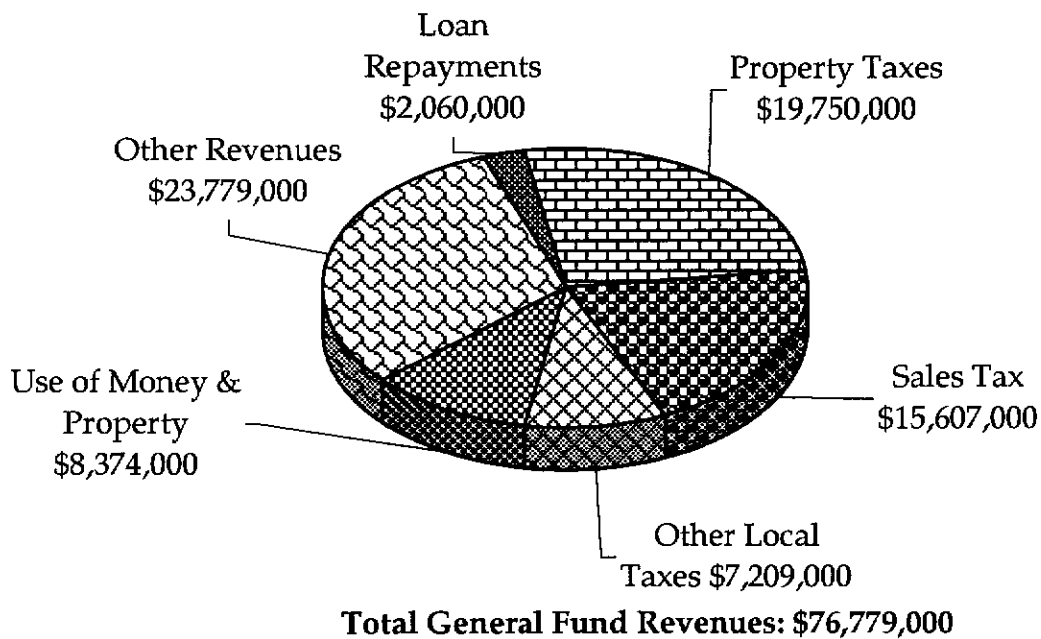
Revenue Category	Actual 2003-04	Adopted 2004-05	Adopted 2005-06	Percent Change **
Property Taxes	\$ 22,641,493	21,618,797	19,969,571	(7.6%)
Other Local Taxes	3,074,281	1,508,000	2,010,000	33.3%
Use of Money & Property	6,796,963	5,692,373	6,433,273	13.0%
Other Revenues:				
Licenses, Permits & Fees	1,596,503	1,145,255	1,160,055	1.3%
Intergovernmental	2,058,552	2,879,303	2,863,377	(0.6%)
Charges for Current Services	35,662,181	36,415,574	37,071,990	1.8%
Other Revenues	12,583,046	419,100	488,500	16.6%
Interfund Revenues and Transfers	19,530,366	20,821,980	17,122,858	(17.8%)
Loan Repayments	104,302	770,740	770,739	(0.0%)
TOTAL	\$ 104,047,687	91,271,122	87,890,363	(3.7%)

** Percent Change From Prior Year Adopted to Current Year Adopted Budget.

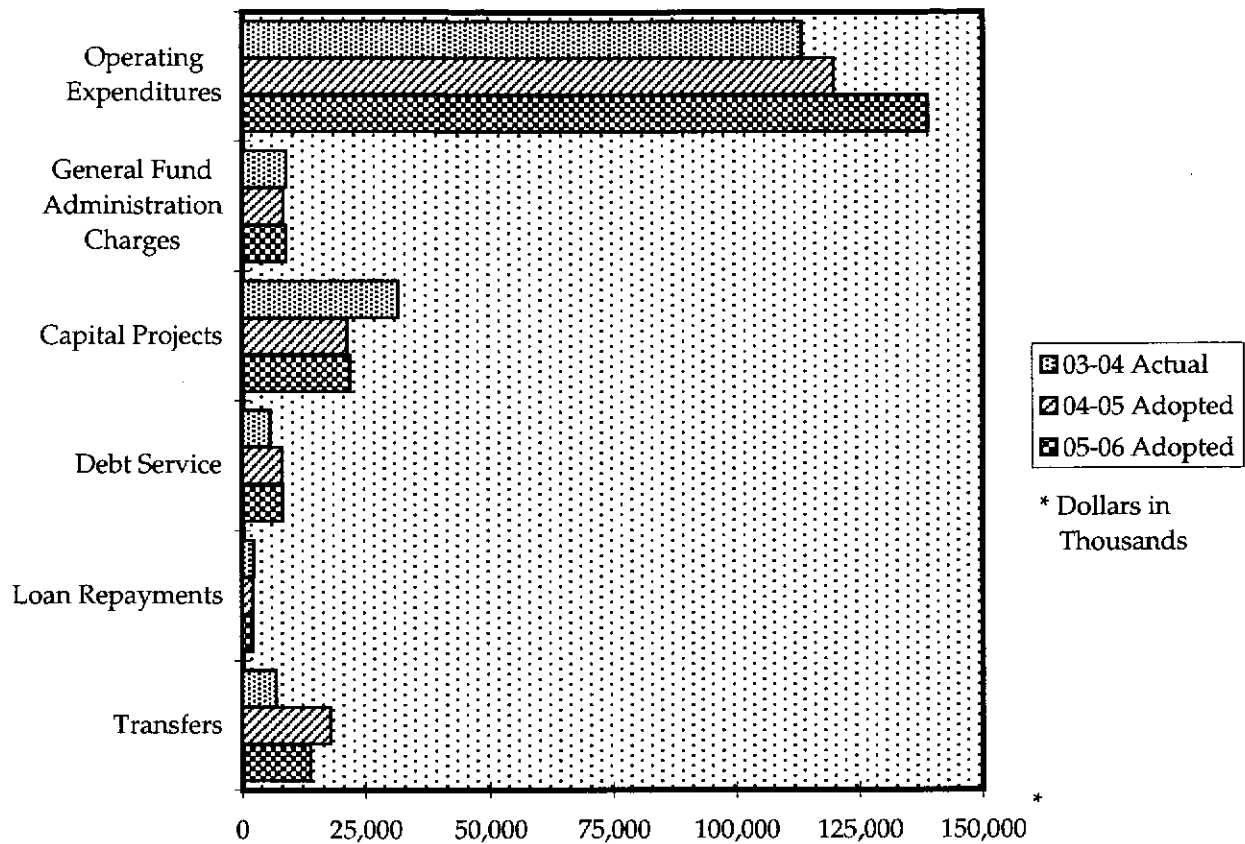
**TOTAL FUND REVENUES
FISCAL YEAR 2005-06**



**GENERAL OPERATING FUND REVENUES
FISCAL YEAR 2005-06**



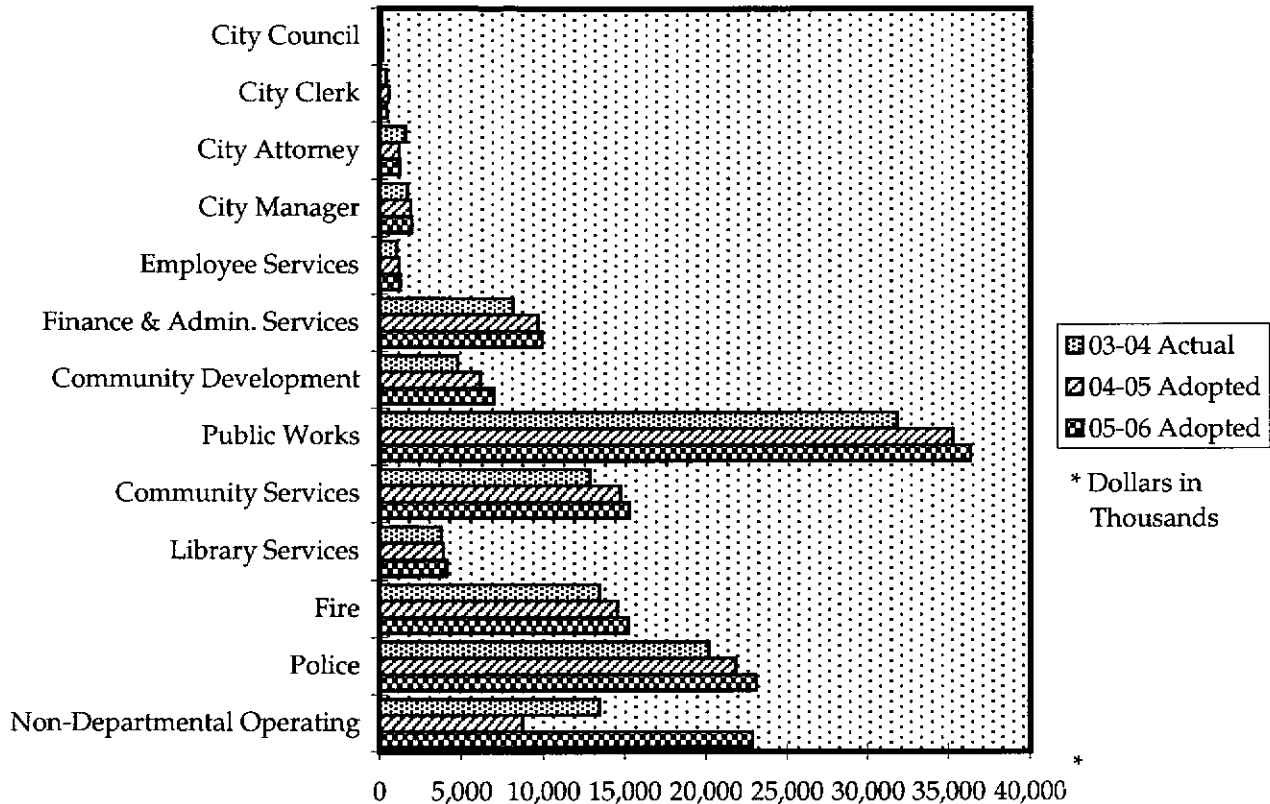
TOTAL FUND EXPENDITURES



<u>Expenditure Category</u>	<u>Actual 2003-04</u>	<u>Adopted 2004-05</u>	<u>Adopted 2005-06</u>	<u>Percent Change **</u>
Operating Expenditures	\$ 113,268,705	119,767,707	138,925,834	16.0%
Fund Administration Charges	8,838,266	8,283,348	8,800,384	6.2%
Capital Projects	31,634,944	21,160,539	21,756,085	2.8%
Debt Service	5,606,265	8,008,977	8,184,984	2.2%
Loan Repayments	2,186,791	2,074,416	2,075,242	0.0%
Transfers	6,731,457	17,815,050	13,705,375	(23.1%)
TOTAL	\$ 168,266,428	177,110,037	193,447,904	9.2%

** Percent Change From Prior Year Adopted to Current Year Adopted Budget.

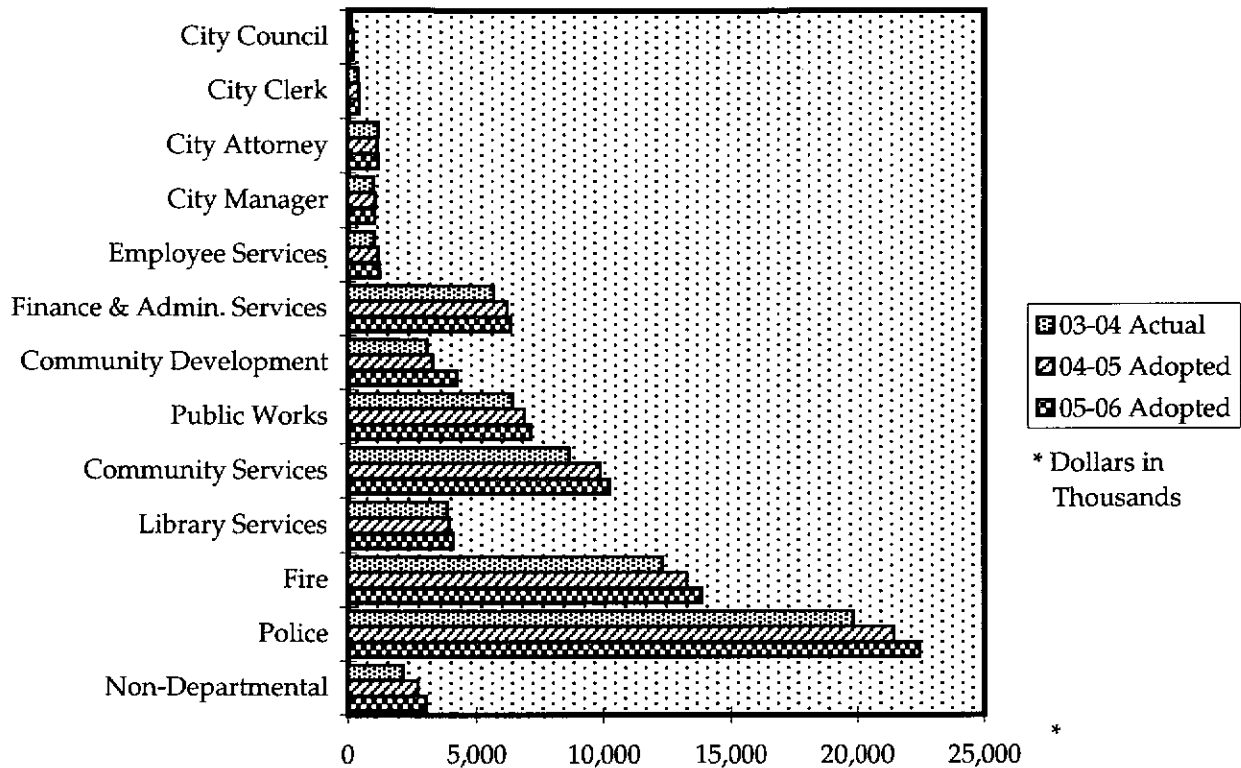
TOTAL OPERATING EXPENDITURES



Department	Actual 2003-04	Adopted 2004-05	Adopted 2005-06	Percent Change **
City Council	\$ 137,677	201,036	199,694	(0.7%)
City Clerk	388,688	565,767	458,403	(19.0%)
City Attorney	1,592,293	1,185,861	1,233,731	4.0%
City Manager	1,708,601	1,897,113	1,991,937	5.0%
Employee Services	1,036,398	1,187,605	1,289,263	8.6%
Finance and Admin Svcs	8,140,036	9,651,650	9,914,891	2.7%
Community Development	4,812,887	6,110,516	6,979,200	14.2%
Public Works	31,755,778	35,241,413	36,338,275	3.1%
Community Services	12,846,680	14,692,374	15,252,453	3.8%
Library Services	3,808,493	3,922,642	4,143,249	5.6%
Fire	13,445,630	14,532,034	15,207,668	4.6%
Police	20,182,738	21,825,280	23,083,151	5.8%
Non-Departmental Operating	13,412,806	8,754,416	22,833,919	160.8%
TOTAL	\$ 113,268,705	119,767,707	138,925,834	16.0%

** Percent Change From Prior Year Adopted to Current Year Adopted Budget.

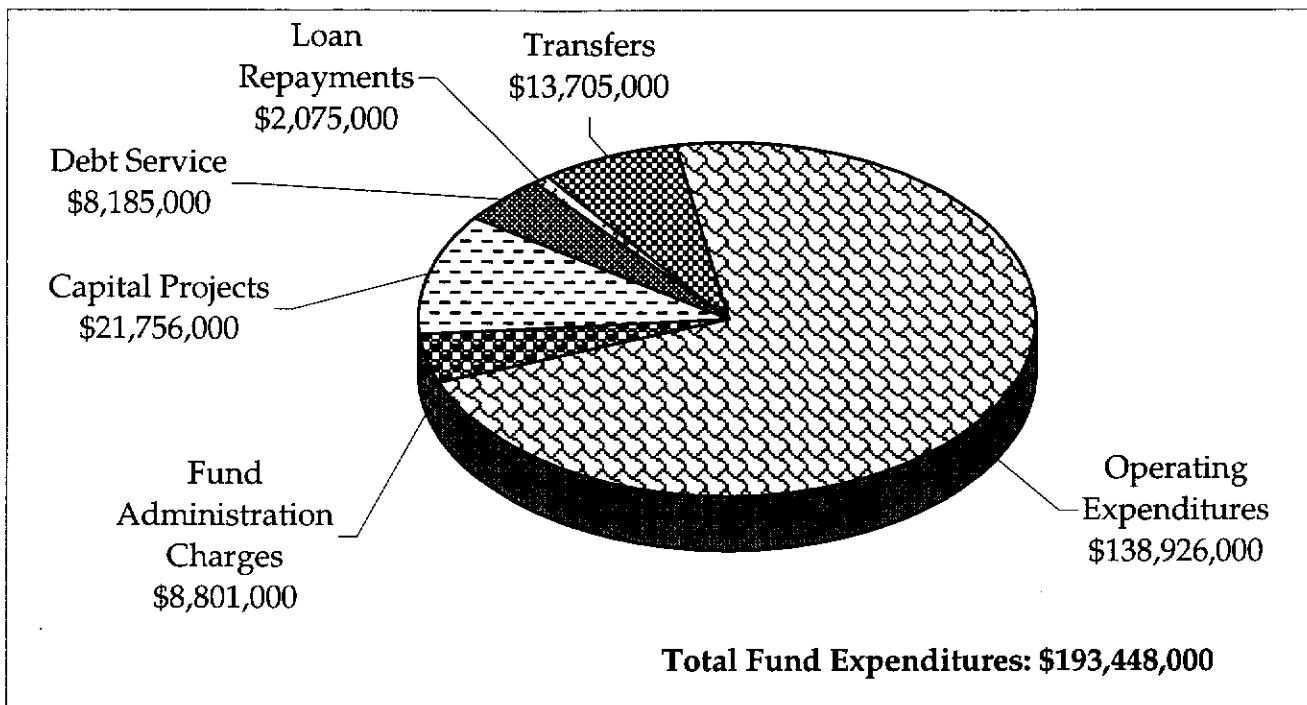
GENERAL OPERATING FUND EXPENDITURES



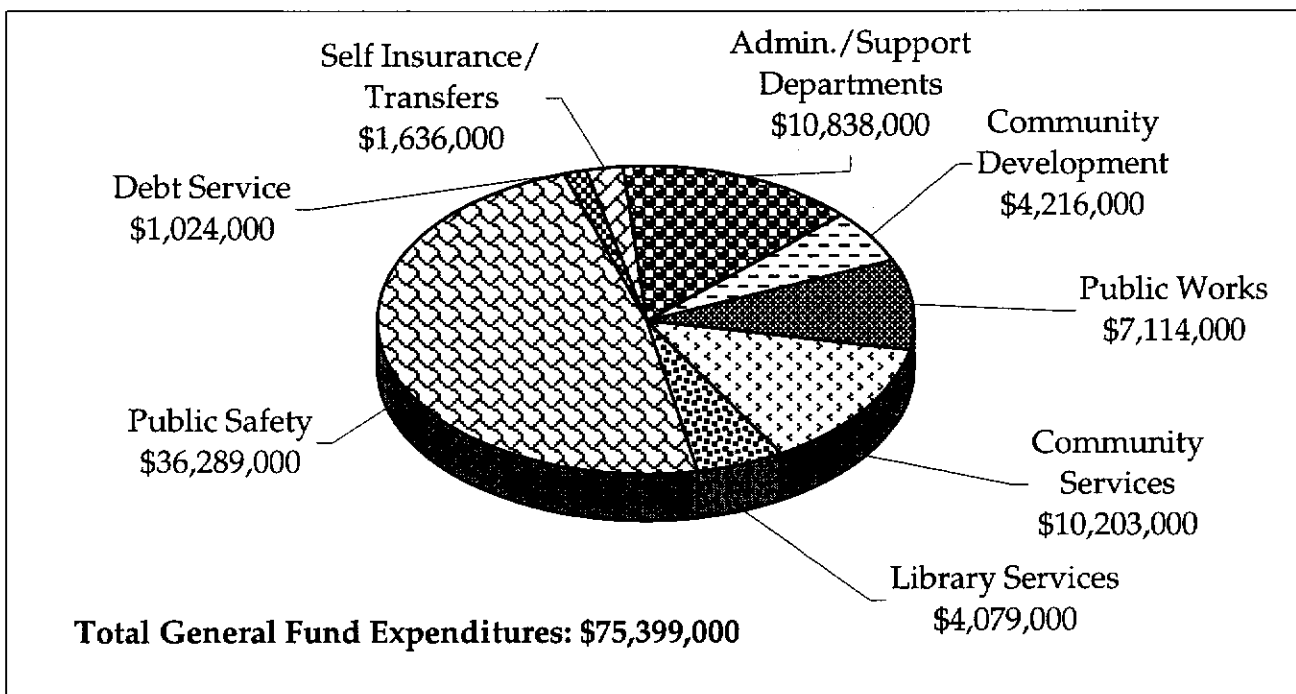
Department	Actual 2003-04	Adopted 2004-05	Adopted 2005-06	Percent Change **
City Council	\$ 137,677	185,836	199,694	7.5%
City Clerk	388,688	415,767	458,403	10.3%
City Attorney	1,164,752	1,145,861	1,193,731	4.2%
City Manager	996,418	1,075,751	1,060,300	(1.4%)
Employee Services	1,034,751	1,164,605	1,231,263	5.7%
Finance and Admin Svcs	5,649,401	6,198,047	6,309,258	1.8%
Community Development	3,052,876	3,272,715	4,215,595	28.8%
Public Works	6,384,024	6,875,927	7,113,952	3.5%
Community Services	8,617,624	9,828,428	10,203,464	3.8%
Library Services	3,808,493	3,902,642	4,078,649	4.5%
Fire	12,289,506	13,228,929	13,834,032	4.6%
Police	19,800,650	21,403,243	22,454,932	4.9%
Non-Departmental	2,151,842	2,719,801	3,045,986	12.0%
TOTAL	\$ 65,476,702	71,417,552	75,399,259	5.6%

** Percent Change From Prior Year Adopted to Current Year Adopted Budget.

TOTAL FUND EXPENDITURES FISCAL YEAR 2005-06



GENERAL OPERATING FUND EXPENDITURES FISCAL YEAR 2005-06



CITY OF MOUNTAIN VIEW
RESOLUTION NO. 16995
SERIES 2005

Dated: 9/7/05 Patty Maner
Deputy City Clerk

A RESOLUTION ADOPTING THE FISCAL YEAR 2005-06 BUDGET

WHEREAS, the City Council held duly noticed study sessions on March 29, April 19, May 3 and May 10, 2005 and held duly noticed public hearings on June 7 and June 14, 2005, and heard all persons wishing to be heard regarding said proposed budgets. The City Council considered these comments and deliberated the City Manager's proposed budget;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mountain View as follows:

1. The City of Mountain View proposed budget in the amount of \$147,861,213, as recommended by the City Manager, plus any amendments approved by the City Council on June 14, 2005, on file in the City Clerk's Office, including the Fund Schedules Section of the Proposed Budget, is hereby adopted as the Fiscal Year 2005-06 budget of this agency.

2. The City Council appropriate \$16,043,000 for the Fiscal Year 2005-06 Capital Improvement Program.

3. The City Council has included appropriations sufficient to meet all its bonded debt service obligations.

4. Except for continuing appropriations for capital improvement projects not yet completed, Community Development Block Grant programs, grant funding, legal cases and other expenditures lawfully encumbered or accrued, all other unexpended appropriations shall lapse at the end of the fiscal year in accordance with City Charter Section 1105.

5. Appropriations as needed from investment earnings and other program income received on grant funds are hereby authorized.

6. Appropriations in the compensated absence reserve are hereby authorized as needed for vacation and sick leave payments to employees during Fiscal Year 2005-06.

7. Appropriations for the Police Asset Forfeiture Fund are hereby authorized up to the uncommitted cash balance in the Police Asset Forfeiture Fund.

8. Appropriations in the Workers' Compensation Fund and Unemployment Fund for Workers' Compensation and unemployment claims payments, respectively, are hereby authorized as needed.

9. Appropriations in the Retirees Health Fund and the Employee Benefits Fund are hereby authorized as needed to be funded by the contributions of the City, employees and retirees.

10. The City Manager or designee is authorized to increase appropriations in the Cable Television Fund for transfers that are calculated on franchise fees received and annually rebudget the remaining balance of the miscellaneous maintenance funds.

11. The City Manager or designee is authorized to increase appropriations for specific retail and golf lesson expenditures of the Shoreline Golf Links operations that are offset by retail sales and golf lesson revenues.

12. The Finance and Administrative Services Director is hereby authorized to adjust transfers from the General Fund Reserve to the General Fund Operating Contingency and the General Fund Long-Term Contingency Reserves to the policy level based upon each reserve policy percentage of final adopted expenditures.

13. The Finance and Administrative Services Director is hereby authorized to make adjustments and corrections to budgeted amounts for reasons such as: (a) amendments adopted by City Council; (b) final benefit coverage costs; (c) final represented and nonrepresented employee compensation costs; (d) adjustments between funds and departments for internal service charges and administrative overhead reimbursements; (e) modifications to revenue and appropriations for the actual Public Library Fund grant amount received; and (f) other corrections as necessary. The Finance and Administrative Services Director is authorized to determine the budgeted amounts for implementation of the decisions made at the public hearings and will report the final adopted budget and any reconciling changes in the compilation of the budget to the City Council by an informational memorandum and will file said final adopted budget with the City Clerk's Office.

The foregoing Resolution was regularly introduced and adopted at a Special Meeting of the City Council of the City of Mountain View, duly held on the 14th day of June, 2005, by the following vote:

AYES: Councilmembers Galiotto, Kasperzak, Macias, Pear, Perry and Mayor Neely

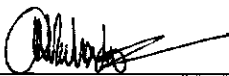
NOES: None

ABSENT: Councilmember Means

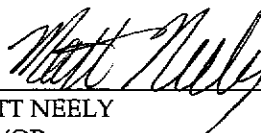
NOT VOTING: None

ATTEST:

APPROVED:

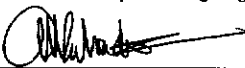


ANGELITA M. SALVADOR
CITY CLERK



MATT NEELY
MAYOR

I do hereby certify that the foregoing resolution was passed and adopted by the City Council of the City of Mountain View at a Special Meeting held on the 14th day of June, 2005, by the foregoing vote.



City Clerk
City of Mountain View

HMA/5/RESO
530-06-14-05R-4^

MOUNTAIN VIEW REVITALIZATION AUTHORITY (MVRA)
RESOLUTION NO. RA-98
SERIES 2005

A RESOLUTION ADOPTING THE FISCAL YEAR 2005-06 BUDGET

WHEREAS, the MVRA Board of Directors (Board) held a duly noticed study session on May 3, 2005 and held duly noticed public hearings on June 7 and June 14, 2005 and heard all persons wishing to be heard regarding said proposed budgets;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Mountain View Revitalization Authority as follows:

1. The Mountain View Revitalization Authority proposed budget in the amount of \$3,238,373, as recommended by the Authority Manager, plus any amendments approved by the Board on June 14, 2005, on file in the City Clerk's Office, is hereby adopted as the Fiscal Year 2005-06 budget of this agency.
2. The Board appropriated funding in the amount of \$976,617 for the Fiscal Year 2005-06 Capital Improvement Program.
3. The Board has included appropriations sufficient to meet all its bonded debt obligations.
4. Except for continuing appropriations for capital improvement projects not yet completed and other expenditures lawfully encumbered or accrued, all other unexpended appropriations shall lapse at the end of the fiscal year.
5. The Treasurer/Finance and Administrative Services Director is authorized to adjust the Housing Set-Aside appropriation based on the applicable property tax received.
6. The Treasurer/Finance and Administrative Services Director is hereby authorized to make adjustments and corrections to budgeted amounts for reasons such as: (1) amendments adopted by the Board; (2) final benefit coverage costs; (3) final represented and nonrepresented employee compensation costs; (4) adjustments between funds and departments for internal service charges and administrative overhead reimbursements; and (5) other corrections as necessary. The Treasurer/Finance and Administrative Services Director is authorized to determine the budgeted amounts for implementation of the decisions made at the public hearings and will report the final adopted budget and any reconciling changes in the compilation of the budget to the Board by an informational memorandum and will file said final adopted budget with the City Clerk's Office.

Certified to be a True Copy of the O

Dated: 9/7/05 [Signature]
Deputy City Clerk

The foregoing Resolution was regularly introduced and adopted at a Special Meeting of the Mountain View Revitalization Authority, duly held on the 14th day of June, 2005, by the following vote:

AYES: Board members Galiotto, Kasperzak, Macias, Pear, Perry and President Neely

NOES: None

ABSENT: Board member Means

NOT VOTING: None

ATTEST:

APPROVED:

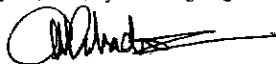


ANGELITA M. SALVADOR
SECRETARY



MATT NEELY
PRESIDENT

I do hereby certify that the foregoing resolution was passed and adopted by the Mountain View Revitalization Authority at a Special Meeting held on the 14th day of June, 2005, by the foregoing vote.



Secretary
Mountain View Revitalization Authority

HMA/5/RESO
530-06-14-05R^

MOUNTAIN VIEW SHORELINE REGIONAL PARK COMMUNITY (SRPC)
RESOLUTION NO. S-127
SERIES 2005

A RESOLUTION ADOPTING THE FISCAL YEAR 2005-06 BUDGET

WHEREAS, the SRPC Board of Directors (Board) held a duly noticed study session on May 3, 2005 and held duly noticed public hearings on June 7 and June 14, 2005 and heard all persons wishing to be heard regarding said proposed budget;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Mountain View Shoreline Regional Park Community as follows:

1. The Mountain View Shoreline Regional Park Community proposed budget in the amount of \$17,612,697 as recommended by the Community Manager, plus any amendments approved by the Board on June 14, 2005, on file in the City Clerk's Office, is hereby adopted as the Fiscal Year 2005-06 budget of this agency.
2. The Board appropriate funding in the amount of \$8,056,000 for the Fiscal Year 2005-06 Capital Improvement Program.
3. The Board has included appropriations sufficient to meet all its bonded debt obligations.
4. Except for continuing appropriations for capital improvement projects not yet completed and other expenditures lawfully encumbered or accrued, all other unexpended appropriations shall lapse at the end of the fiscal year.
5. The Treasurer/Finance and Administrative Services Director is hereby authorized to make adjustments and corrections to budgeted amounts for reasons such as: (1) amendments adopted by the Board; (2) final benefit coverage costs; (3) final represented and nonrepresented employee compensation costs; (4) adjustments between funds and departments for internal service charges and administrative overhead reimbursements; and (5) other corrections as necessary. The Treasurer/Finance and Administrative Services Director is authorized to determine the budgeted amounts for implementation of the decisions made at the public hearings and will report the final adopted budget and any reconciling changes in the compilation of the budget to the Board by an informational memorandum and will file said final adopted budget with the City Clerk's Office.
6. The City Manager is authorized to adjust appropriations as necessary for payments to the County according to the property tax sharing agreement between the Community and the City.

Certified to be a True Copy of the Orig

Dated: 9/17/05 Paul J. Man
Deputy City Clerk

The foregoing Resolution was regularly introduced and adopted at a Special Meeting of the Mountain View Shoreline Regional Park Community, duly held on the 14th day of June, 2005, by the following vote:

AYES: Board members Galiotto, Kasperzak, Macias, Pear, Perry and President Neely

NOES: None

ABSENT: Board member Means

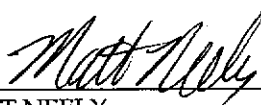
NOT VOTING: None

ATTEST:

APPROVED:

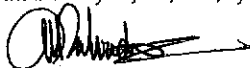


ANGELITA M. SALVADOR
SECRETARY



MATT NEELY
PRESIDENT

I do hereby certify that the foregoing resolution was passed and adopted by the Mountain View Shoreline Regional Park Community at a Special Meeting held on the 14th day of June, 2005, by the foregoing vote.



Secretary
Mountain View Shoreline Regional Park Community

HMA/5/RESO
530-06-14-05R-1^

CITY OF MOUNTAIN VIEW
RESOLUTION NO. 16996
SERIES 2005

Dated: 9/7/05 Patty Gna
Deputy City Clerk

A RESOLUTION ADOPTING
THE FISCAL YEAR 2005-06 APPROPRIATIONS LIMIT

WHEREAS, Article XIII B of the Constitution of the State of California requires that total annual appropriations of the City of Mountain View funded from the applicable proceeds of taxes shall not exceed the appropriations limit of the City for the prior fiscal year adjusted for specified changes; and

WHEREAS, this Article requires the City to establish its appropriations limit by resolution each fiscal year at a regularly scheduled meeting or at a noticed special meeting, before the beginning of each fiscal year; and

WHEREAS, the City Finance and Administrative Services Department has prepared the budget documentation as intended by Article XIII B of the California Constitution and has made such documents available for public review;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Mountain View hereby adopts the appropriations limit for Fiscal Year 2005-06 of \$152,645,096 for those funds subject to the appropriations limit.

The foregoing Resolution was regularly introduced and adopted at a Special Meeting of the City Council of the City of Mountain View, duly held on the 14th day of June, 2005, by the following vote:

AYES: Councilmembers Galiotto, Kasperzak, Macias, Pear, Perry and Mayor Neely

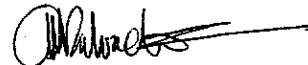
NOES: None

ABSENT: Councilmember Means

NOT VOTING: None


ATTEST:

APPROVED:


ANGELITA M. SALVADOR
CITY CLERK


MATT NEELY
MAYOR

I do hereby certify that the foregoing resolution was passed and adopted by the City Council of the City of Mountain View at a Special Meeting held on the 14th day of June, 2005, by the foregoing vote.


City Clerk
City of Mountain View

HMA/5/RESO
530-06-14-05R-3^



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Mountain View
California**

For the Fiscal Year Beginning

July 1, 2004

President

Executive Director

California Society of Municipal Finance Officers

Certificate of Award

Excellence in Operational Budgeting 2004-05

Presented to

City of Mountain View

*This certificate recognizes Excellent Achievement in Operational Budgeting and reflects an outstanding budget document
and the underlying budgeting process through which the budget is implemented.*

February 24, 2005



Agnes J. Walker

Agnes Walker
Chair, Budgeting & Financial Management

Dedicated to Excellence in Municipal Financial Management

California Society of Municipal Finance Officers

Certificate of Award

*Excellence in
Public Communications Budgeting 2004-05*

Presented to

City of Mountain View

This certificate recognizes the achievement of Excellence in Public Communications Budgeting and reflects an outstanding budget document and the underlying budgeting process through which the budget is implemented.

February 24, 2005



Agnes J. Walker
Agnes Walker, Chair
Budgeting & Financial Management

Dedicated to Excellence in Municipal Financial Management

NOTES

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General Notes

These notes explain the format and conventions used for each Department Summary that appear in the following section of this document.

A. Organizational Charts

Included for each department is an overview of the functions and responsibilities of the department as well as the organizational structure of the department. A City-wide organizational chart is included in the Statistical Section of this document.

B. Performance Measures/Workload Measures

Included on each department text page (see below description) is a list of performance and workload measures by program. Because the process of creating a sound performance measurement system is still evolving, some performance/workload measures are noted as being "discontinued" and some are noted as "New for FY 2005-06".

Performance/Workload Measures are clearly tied to Departmental Functions. If a Departmental Function has a Performance/Workload Measure tied to it, it is noted in parenthesis with an "M" and the Performance/Workload Measure number(s) following. For example, (M 1, 2, 3). Performance/Workload Measures which are being discontinued are not tied to a Departmental Function. Please note that Departmental Functions are long-term goals and therefore tied to continuing Performance/Workload Measures, while Departmental Goals/Strategies are short-term in nature.

C. Text Pages

1. Centered at the top of the page is a title identifying the Department or Program name and whether it is the Department Summary or a Program Summary.
2. Each text page identifies the manager, mission statement, functions, and major goals/strategies for Fiscal Year 2005-06 as well as any major changes for the Department or Program. Functions are the long-term goals of the Department or Program and are tied to performance measures. Major Goals/Strategies are short-term goals targeted to be achieved for that Fiscal Year.

General Notes
(Continued)

D. Numerical Pages

1. The listed number of positions for each Department or Program represents the maximum number of permanent budgeted positions that can be filled. "Part-Time Hourly" positions identify the number of full-time equivalent positions budgeted to be filled by hourly personnel. Contract personnel are not included in this listing.
2. Positions listed in the "2003-04 Adjusted" column are those positions actually approved in the adopted budget that year plus any adjustments made mid-year. Positions listed in the "2004-05 Adopted" column are those positions in the "2003-04 Adjusted" column plus position changes adopted in Fiscal Year 2004-05. Positions listed in the "2005-06 Adopted" column are those positions in the "2004-05 Adopted" column plus any amendments or adjustments made mid-year and any changes Adopted for Fiscal Year 2005-06.
3. Salaries and wages are calculated using the employees' actual pay plus any potential mid-year step increases. Hourly positions are also calculated at 5th step of the position classification, except those hourly positions in Recreation which are calculated at 3rd step due to the seasonality of the positions.

CITY COUNCIL

The City Council is the legislative and policy-making body for the City, having responsibility for enacting City ordinances, appropriating funds to conduct City business and providing policy direction to administrative staff.

There are eight standing City Council committees, each with three members. From time to time, special-purpose committees are also formed. In addition, Councilmembers represent the City and serve on numerous regional agencies and organizations.

The City Council meets at 6:30 p.m. on the second and fourth Tuesday of each month in the Council Chambers located in City Hall, 500 Castro Street. The times and places of City Council committee meetings and the meetings of outside agencies on which Councilmembers serve can be obtained from the City Clerk's Office.

CITY COUNCIL

Councilmembers	Term Expires
Matt Neely, Mayor	2007
Nick Galiotto, Vice Mayor	2009
R. Michael Kasperzak, Jr.	2007
Laura Macias	2009
Tom Means	2009
Matt Pear	2009
Gregory Perry	2007

STANDING COMMITTEES

Appointments Review Committee (CARC)

Galiotto, Chair
Neely
Pear

Finance/Investment Review Committee (CFC) (CIRC)

Means, Chair
Kasperzak
Macias

Moffett Field Complex Committee (CMFC)

Pear, Chair
Macias
Perry

Neighborhoods Committee (CNC)

Neely, Chair
Galiotto
Pear

Procedures Committee (CPC)

Perry, Chair
Kasperzak
Neely

Technology Committee (CXC)

Macias, Chair
Pear
Perry

Transportation Committee (CTC)

Kasperzak, Chair
Galiotto
Perry

Youth Services Committee (CYSC)

Neely, Chair
Galiotto
Means

CITY COUNCIL
DEPARTMENT SUMMARY

DEPARTMENT MANAGER-CITY CLERK

DEPARTMENT MISSION STATEMENT

To set policy that governs the City in a manner which is both financially sound as well as responsive to the needs and concerns of the community.

DEPARTMENT FUNCTIONS

- Serve as Board of Directors for the Mountain View Shoreline Regional Park Community, the Mountain View Revitalization Authority and the City of Mountain View Capital Improvements Financing Authority.
- Participate in regional boards and agencies which directly affect the City of Mountain View and the needs and interests of the citizens.
- Adopt the annual budget and Capital Improvement Program.
- Meet annually in study sessions with each advisory commission/committee.
- Participate in the City's Corporate Visitation Program.

MAJOR CITY GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Conduct resident/customer services satisfaction survey.
- Initiate Cuesta Park Annex master planning process.
- Implement department/programmatic cost of service reviews.
- Complete and begin implementation of the Community Center Child-Care Center funding and implementation plan.
- Implement upgrades to the City's web site (including CitySeek system replacement).
- Develop minimum-density requirements for housing projects.
- Implement Historic Preservation Ordinance follow-up items (historic resources inventory, tax rebate program).
- Amend the Charleston East site zoning to delete the nonprofit use designation.
- Evaluate creation of an Economic Development Task Force.
- Complete development of an Affordable Housing Strategy.
- Initiate a process to review the costs of capital improvement projects.

**CITY COUNCIL
DEPARTMENT SUMMARY**

- Evaluate alternative uses for the Centennial Plaza train station building.
- Design and construct a bicycle boulevard route and continue review of additional potential bicycle boulevard routes.
- Complete the design for a Permanente Creek pedestrian/bicycle overcrossing over U.S. 101.
- Evaluate opportunities for extending Hetch-Hetchy Trail.
- Develop a strategy to invest in energy conservation measures to reduce ongoing operating costs, including an evaluation of renewable energy opportunities.

AMS/BUD
LHP-402-01^

**CITY COUNCIL
DEPARTMENT SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Mayor	1	1	1
Councilmember	6	6	6
Total Permanent	7	7	7
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	7	7	7

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 86,195	99,476	113,334
Supplies and Other Services	51,482	101,560	86,360
Capital Outlay	0	0	0
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	\$ 137,677	201,036	199,694

<u>FUNDING SOURCES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Operating Fund	\$ 137,677	185,836	199,694
General Fund Reserve	0	15,200	0
TOTAL FUNDING	\$ 137,677	201,036	199,694

**CITY COUNCIL
DEPARTMENT SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 43,500	43,500	43,500
Wages	1,430	0	0
Benefits	41,265	55,976	69,834
	<u>\$ 86,195</u>	<u>99,476</u>	<u>113,334</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 9,508	9,790	9,790
Maintenance and Operations	0	400	400
Utilities	5,840	12,960	12,960
Professional/Technical Svcs	4,650	4,000	4,000
Other Expenses	31,484	74,410 *1	59,210
	<u>\$ 51,482</u>	<u>101,560</u>	<u>86,360</u>

*1 Includes one-time funding of \$15,200 for computers and related equipment. Per Council Policy A-2, each Councilmember is allocated \$3,800 per term. Four new Council terms will be commencing during Fiscal Year 2004-05. Also includes decreased funding of \$2,500 for training, conference and travel.

NOTES

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NOTES

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CITY CLERK'S OFFICE

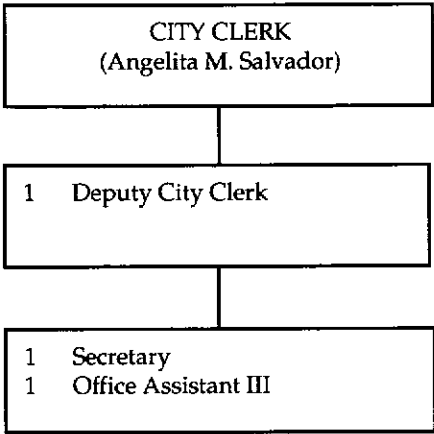
The City Clerk is appointed by the City Council. The Clerk is responsible for facilitating the conduct of business by the City Council and fulfilling legal requirements as set forth in the Charter, City Code and State law. The City Clerk's Office conducts all City elections and administers campaign and financial disclosure laws.

The Office maintains a true record of all proceedings of the City Council; meets all requirements regarding public postings, legal advertising, recordations and mailing of public hearing notices; processes Assessment Districts, annexations, deeds, tax cancellations, appeals

and initiative petitions; administers the yearly selection process of members to City boards, commissions and committees; and provides support for sister city activities.

The City Clerk's Office provides administrative assistance to the Council, maintains the City Code and City Charter, is custodian of the City Seal, administers oaths or affirmations, and maintains City contracts and agreements. The office also maintains official City records, provides certified copies thereof and provides information to the public regarding the legislative operations of government.

CITY CLERK'S OFFICE



FISCAL YEAR 2005-06 POSITION TOTALS: 4.0 Full-Time

**CITY CLERK'S OFFICE
DEPARTMENT SUMMARY**

DEPARTMENT MANAGER-CITY CLERK

DEPARTMENT MISSION STATEMENT

To maintain official records, administer elections and provide administrative support to City Council.

DEPARTMENT FUNCTIONS

- Administer City elections. (M 1)
- Maintain the City Code and City Charter.
- Administer campaign disclosures, financial disclosures and oaths. (M 2)
- Coordinate, prepare and distribute Council agenda materials and minutes. (M 3, 4, 5, 7, 9)
- Maintain official City records and provide records management support services for all departments. (M 6, 10, 11, 12)
- Notice legal documents and process annexation and assessment district proceedings, deeds, appeals, initiative petitions and ordinances. (M 8)
- Provide administrative support to City Council. (M 13)

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Continue to explore the feasibility of adding City agreements and other appropriate records to the City Clerk's electronic document management system.

PERFORMANCE/WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
Elections:					
1. Percent of official election notices published without errors and on time	100%	100%	100%	100%	100%
2. Percent of Statement of Economic Interests processed correctly and submitted on time	100%	100%	100%	100%	100%
Legislative:					
3. Percent of agenda packets prepared and distributed four days before Council meeting	100%	100%	100%	100%	100%
4. Percent of agendas and minutes posted at least 72 hours prior to a regular Council meeting	100%	100%	100%	100%	100%

CITY CLERK'S OFFICE
DEPARTMENT SUMMARY

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
5. Percent of minutes prepared for City Council meeting without errors of fact	100%	91% ^(A)	100%	89% ^(B)	>98%
6. Percent of resolutions and ordinances processed within five days after a Council meeting is held	>90%	100%	>90%	99%	>90%
7. Percent of Council agenda staff reports processed within five days after a Council meeting is held	>90%	100%	>90%	100%	>90%
8. Percent of legal hearing notices prepared, noticed and mailed within legal deadlines	100%	100%	100%	100%	100%
Records Management:					
9. Percent of agenda items uploaded to imaging system each agenda production week	100%	100%	100%	100%	100%
10. Number of agreements documented and indexed	220	680 ^(C)	400	475	400
11. Percent of agreements/contracts retrieved within three days of request	100%	100%	100%	100%	100%
12. Percent of records sent for recordation within 24 hours upon receipt of request from department	>90%	100%	>90%	100%	>90%
Administrative/Support to Council:					
13. Percent of Council service requests responded to within one working day of receipt ^(D)	>95%	99%	>95%	100%	>95%

^(A) During the first quarter, one set of minutes (out of eight) was amended, and during the fourth quarter, one set of minutes (out of ten) was amended.

^(B) Four corrections (out of 35 minutes).

^(C) Number of agreements continues to be high. Target adjusted for Fiscal Year 2004-05.

^(D) Target changed for Fiscal Year 2004-05 to be within one working day of receipt instead of one hour.

AMS/BUD
LHP-402-02^

**CITY CLERK'S OFFICE
DEPARTMENT SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
City Clerk	1	1	1
Deputy City Clerk	1	1	1
Secretary	1	1	1
Office Assistant III	1	1	1
Total Permanent	4	4	4
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	4	4	4

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 355,362	367,641	398,277
Supplies and Other Services	33,326	198,126	48,126
Capital Outlay	0	0	12,000
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	\$ 388,688	565,767	458,403

<u>FUNDING SOURCES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Operating Fund	\$ 388,688	415,767	458,403
General Fund Reserve	0	150,000	0
TOTAL FUNDING	\$ 388,688	565,767	458,403

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Service Charges	\$ 140	30	130
Miscellaneous Revenue	1,025	1,800	1,800
TOTAL REVENUES	\$ 1,165	1,830	1,930

**CITY CLERK'S OFFICE
DEPARTMENT SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 283,297	296,391	305,511
Wages	19,757	17,000	17,000
Benefits	52,308	54,250	75,766
	<u>\$ 355,362</u>	<u>367,641</u>	<u>398,277</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 3,933	13,336	13,336
Maintenance and Operations	896	1,500	1,500
Utilities	45	300	300
Professional/Technical Svcs	20,607	22,780	22,780
Other Expenses	7,845	160,210 *1	10,210
	<u>\$ 33,326</u>	<u>198,126</u>	<u>48,126</u>

*1 Includes one-time funding of \$150,000 for the November 2004 General Municipal Election.

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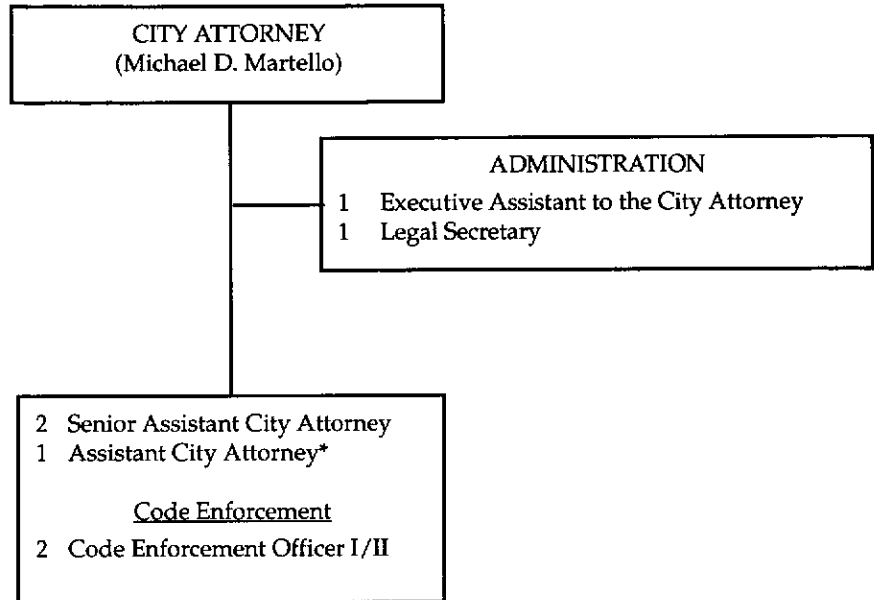
CITY ATTORNEY'S OFFICE

The City Attorney is appointed by the City Council as the Attorney for the City and legal advisor to the City Council. The City Attorney hires subordinate attorneys to assist in the discharge of assigned responsibilities. The City Attorney's Office defends and prosecutes or retains counsel to defend and prosecute all civil actions and proceedings to which the City is a party and prosecutes all criminal actions involving the City Code. The Office represents and advises the City Council, boards, commissions, departments and all City officials in matters of law related to the conduct of City business.

The City Attorney's Office drafts necessary legal documents, ordinances, resolutions, contracts, other documents pertaining to the City's business and handles claims against the City. The Office is also responsible for providing legal services in connection with the Shoreline Regional Park (North Bayshore) Community and the Revitalization Authority.

The Code Enforcement Section is under the direct supervision of the Senior Assistant City Attorney. The Code Enforcement Section is responsible for enforcing the City Code provisions relating to zoning, neighborhood preservation and vehicles on private property.

CITY ATTORNEY'S OFFICE



FISCAL YEAR 2005-06 POSITION TOTALS: 8.0 Full-Time

*Unfunded .33 Assistant City Attorney position.

CITY ATTORNEY'S OFFICE

DEPARTMENT SUMMARY

DEPARTMENT MANAGER—CITY ATTORNEY

DEPARTMENT MISSION STATEMENT

To provide legal services and counsel to the City Council, boards and commissions; and participate as a member of the management team in support of City departments.

DEPARTMENT FUNCTIONS

- Prosecute and defend legal proceedings involving the City. (M 1, 2)
- Coordinate and monitor outside legal service providers retained to represent the City in its ongoing operations. (M 1)
- Process and track claims filed against the City. (M 2)
- Represent and advise City officials and City staff in legal matters.
- Draft and/or review ordinances, resolutions, contracts and other legal documents. (M 3, 4, 5)
- Supervise and administer the Code Enforcement Division, including prosecution of City Code violations. (M 6)

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Continue periodic revisions of the Mountain View City Code relating to code enforcement and zoning and development of enforcement strategies.
- Implement National Pollutant Discharge Elimination System (NPDES) permit requirements.
- Provide oversight of the Clear Channel litigation.
- Continue legal support for the Silicon Valley Regional Interoperability Project.
- Update and revise the deferred compensation plan.
- Provide legal support for Council-initiated items such as campaign finance and planning initiatives.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Code Enforcement Contract Attorney

\$5,000

Provides increased funding of \$5,000 for contract code enforcement attorney services. This cost is offset by revenue increases of \$17,000 for administrative remedy fines. *Maintains desired level of services.*

**CITY ATTORNEY'S OFFICE
DEPARTMENT SUMMARY**

PERFORMANCE/WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
City Attorney's Office:					
1. Total cost of legal services, in-house and outside counsel, as a percent of General Fund budget	<2%	1.3%	<2%	1.13%	<2%
2. Percent of claims entered into the claim reporting system, reported to ACCEL and directed to appropriate departments for response within 5 working days of receipt of the claim.	>90%	100%	>90%	100%	>90%
3. Percent of routine contracts reviewed within 10 working days	>85%	99%	>85%	98%	>85%
4. Percent of complex contracts reviewed within 20 working days	>80%	97%	>80%	100%	>80%
5. Percent of CC&Rs reviewed within 30 working days	>80%	85%	>80%	85%	>80%
6. Percent of code enforcement cases responded to within 5 working days of receipt of complaint or observation of violation.	>95%	98%	>95%	96%	>95%
7. Total cost of project-related legal services or specialty services (e.g., Revitalization) as a percent of individual budget	<0.5%	7.88% ^(A)	<0.5%	2.62% ^(B)	Discontinued

^(A) Two large projects started in the second quarter (Clear Channel litigation and Graham Reservoir) took considerable staff time.

^(B) One large project which began in the prior year (Clear Channel litigation) continues to take considerable staff time.

CSE/BUD
LHP-013-01^

**CITY ATTORNEY'S OFFICE
DEPARTMENT SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
City Attorney	1	1	1
Sr Assist City Attorney	2	2	2
Assistant City Attorney	1 *1	1 *1	1 *1
Code Enforcement Officer I/II	2	2	2
Exec Asst to the City Attorney	1	1	1
Legal Secretary	1	1	1
Total Permanent	8	8	8
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	8	8	8

*1 Unfunded .33 Assistant City Attorney position.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 996,064	1,074,971	1,117,241
Supplies and Other Services	592,598	106,690	111,690
Capital Outlay	0	0	0
Interfund Expenditures	3,631	4,200	4,800
TOTAL EXPENDITURES	\$ 1,592,293	1,185,861	1,233,731

FUNDING SOURCES	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
General Operating Fund	\$ 1,164,752	1,145,861	1,193,731
Shoreline Regional Park Community	427,541	10,000	10,000
Liability Self-Insurance	0	30,000	30,000
TOTAL FUNDING	\$ 1,592,293	1,185,861	1,233,731

REVENUE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Fines and Forfeitures	\$ 26,179	18,000	35,000
Miscellaneous Revenue	1,343	5,000	5,000
Interfund Revenue Transfers	45,000	0	0
TOTAL REVENUES	\$ 72,522	23,000	40,000

**CITY ATTORNEY'S OFFICE
DEPARTMENT SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 838,245	906,267	906,517
Wages	7,178	0	0
Benefits	150,641	168,704	210,724
	<u>\$ 996,064</u>	<u>1,074,971</u>	<u>1,117,241</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 25,626	28,500	28,500
Maintenance and Operations	178	200	200
Utilities	6,540	5,850	5,850
Professional/Technical Svcs	548,435 *1	60,400	65,400 *2
Other Expenses	11,819	11,740	11,740
	<u>\$ 592,598</u>	<u>106,690</u>	<u>111,690</u>

*1 Includes costs for litigation cases, funding approved mid-year or carried over from prior years.

*2 Includes increased funding of \$5,000 for code enforcement contract attorney.

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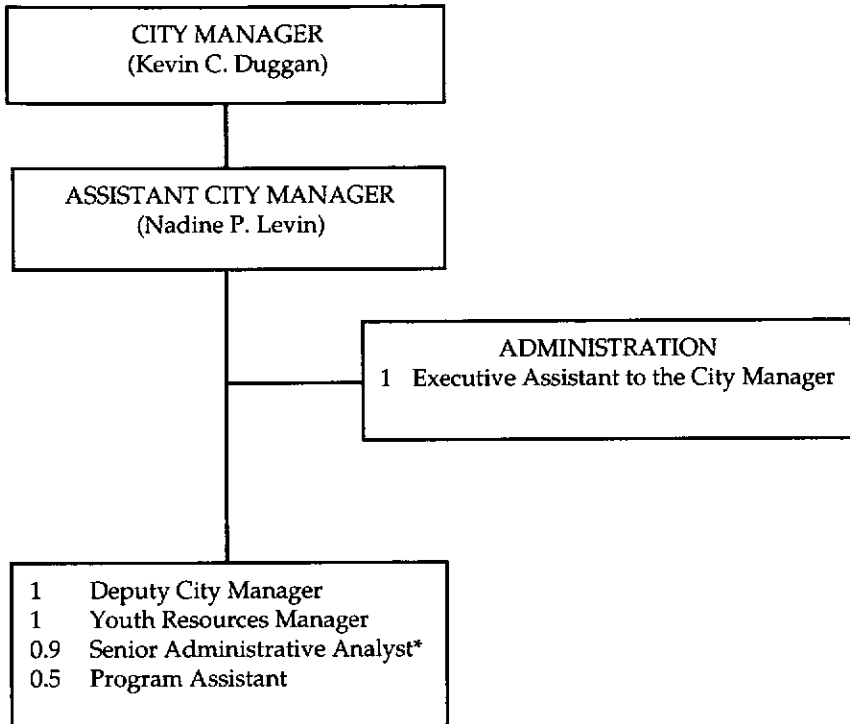
CITY MANAGER'S OFFICE

The City Manager is appointed by the City Council. The City Manager's Office provides professional leadership in the administration of all City services, activities and facilities and directs the execution of policies and objectives formulated by the City Council; develops and presents to the City Council recommendations and strategies in response to community issues; and plans and executes programs to meet the current and future needs of the City of Mountain View.

The City Manager's Office supports the City Council in the preparation of City Council meeting and study session agendas and reports; administers the City's cable television franchise

and contract with KMVT; serves as a liaison and coordinates the delivery of youth services in the community; manages issues relating to NASA Ames Research Center and Moffett Federal Airfield; disseminates information about City services and issues to the community through a public information program, including a multi-language community outreach component; coordinates the City's environmental compliance issues; provides staff support to the Human Relations Commission; coordinates child-care issues; and promotes the City's best interests in interactions with other levels of government, including a legislative response program.

CITY MANAGER'S OFFICE



FISCAL YEAR 2005-06 POSITION TOTALS: 5.4 Full-Time
 1.0 Permanent Part-Time

*Another 0.6 of a FTE position is located in the Police Department.

CITY MANAGER'S OFFICE DEPARTMENT SUMMARY

DEPARTMENT MANAGER-CITY MANAGER

DEPARTMENT MISSION STATEMENT

To support the City Council in the development and execution of their goals and policies and to provide leadership and guidance to City departments in the delivery of City services.

DEPARTMENT FUNCTIONS

- Manage coordination of Council meeting agenda preparation process.
- Develop and present to the City Council solutions and strategies in response to community issues. (M 1)
- Provide leadership to City departments in the execution of policies, objectives and programs adopted by the City Council. (M 2)
- Respond to all City Council and citizen inquiries received by the City Manager's Office in a timely manner. (M 3, 5)
- Assist the City Council in its annual setting of major City goals and track departments' progress in achieving City-wide goals.
- Develop and submit an annual City budget to the City Council and support City Council revenue enhancement and efforts in long-term financial planning.
- Support the City Council's legislative advocacy. (M 4)
- Manage the City's Community Relations Program by providing information to the community through public forums, *The View*, government access programming, the Community Outreach Program and City publications.
- Provide staff support to the Human Relations Commission. (M 6)
- Provide City liaison to various community groups and nonprofit organizations. (M 7)
- Coordinate the City's environmental compliance issues and updates to the environmental management databases. (M 8)
- Serve as the focal point in the City organization for the coordinated delivery of youth services by internal and external youth services providers.
- In conjunction with the Employee Services Department, continue to refine the City's training/organizational development program.

**CITY MANAGER'S OFFICE
DEPARTMENT SUMMARY**

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Conduct resident/customer services satisfaction survey.
- Initiate Cuesta Park Annex Master Planning process.
- Implement department/program cost of service reviews.
- Complete and begin implementation of the Community Center Child-care Center funding and development plan in conjunction with the Finance and Administrative Services Department.
- Continue the development of collaborative relationships between youth services providers internal and external to the City organization.
- Coordinate management of Moffett Complex/NASA Ames issues, including:
 - NASA's implementation of its Ames Development Plan project.
 - Privatization and potential development of the Moffett Boulevard/Middlefield Road Federal property.
- Continue participation on the Proposition 10 (First Five) North County partnership and coordinating committee.
- Coordinate the City's participation in the Northeast Mountain View Advisory Council regarding Federal clean-up site contamination issues.
- Continue cable television franchise renewal process.
- Create a system by which priorities are set for seeking grants for youth services.
- Build a child and youth services resource and referral page on the City's web site.

MAJOR DEPARTMENT CHANGES

- General Operating Fund:
 - Office Assistant III Position (1.0) (\$58,000)
 - Eliminates the Office Assistant III position, retaining \$10,000 for temporary help for a net savings of \$58,000. Staff is currently working on creating a central reception contact point in the City Clerk's Office. This will impact staff support capacity.
Eliminates clerical flexibility and reassigns some workload.

CITY MANAGER'S OFFICE DEPARTMENT SUMMARY

- General Fund Reserve:

Cuesta Park Annex Master Study (one-time expenditure) \$55,000

Provides one-time funding to prepare the Cuesta Park Annex Master Study, including additional staff time to manage this project. The current staffing level is insufficient to absorb this project. This is a City Council-identified goal. *Provides resources to complete the project.*

Citizens Survey (one-time expenditure) \$40,000

Provides one-time funding to conduct a citizens survey, including additional staff time to manage this project. This is a City Council-identified goal. *Assesses citizen service perceptions and priorities.*

Modifications for Third-Floor Reception (one-time expenditure) \$10,000

Provides one-time funding for phone modifications, door relettering and other miscellaneous modifications necessary to streamline reception between the City Manager's, City Attorney's and City Clerk's Offices. *Allows for the consolidation of resources.*

- Cable Television Fund:

Transfer to the General Operating Fund \$14,000

Increases transfer to the General Operating Fund based on estimated revenue increase.

PERFORMANCE/WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
City Manager's Office:					
1. Percent of time an action or decision (on a New Business item prepared by the City Manager's Office) can be made or taken when an item is first brought to Council	>95%	91% ^(A)	>95%	100%	>95%
2. Percentage of City Manager's Office cost as a percent of the General Fund operating budget	<2%	1.4%	<2%	1.5%	<2%
3. Percent of written inquiries received by the City Manager's Office via Citygram that are responded to within 10 days	>95%	100%	>95%	100%	>95%

**CITY MANAGER'S OFFICE
DEPARTMENT SUMMARY**

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
4. Number of communications regarding the City's position on legislation or legislative issues made annually to the State Legislature, Congress and other branches of government	15	16	15	7 ^(B)	10
5. Percent of Community Outreach Program information requests that are responded to within 10 days	>95%	95%	>95%	99%	>95%
6. Percent of Human Relations Commission work plan items completed by the target completion date		New for FY 2004-05	>95%	90.9% ^(C)	>95%
7. City Manager's Office staff attendance at community events/meetings for community support, liaison or networking purposes (not specific to job duties)		New for FY 2004-05	15	32	25
8. Percent of time comments submitted within public comment period on environmental reports, regulations, legislation or report reviewed by City Manager's Office (necessity of commenting determined on a case-by-case basis)	100%	100%	100%	100%	100%

^(A) 10 out of 11 New Business items were acted on the first time they were presented to Council. The September 2, 2003 Council discussion regarding the Patriot Act was continued to the September 16, 2003 meeting to allow the Council to complete its deliberations and determine a position on the Act. Action was taken on September 16, 2003.

^(B) Measure will be evaluated for Fiscal Year 2005-06 based on direction provided by Council.

^(C) Ten of eleven target completion dates were met.

LF/BUD
LHP-601-01^

**CITY MANAGER'S OFFICE
DEPARTMENT SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
City Manager	1	1	1
Assistant City Manager	1	1	1
Deputy City Manager	1	1	1
Youth Resources Manager	1	1	1
Senior Administrative Analyst	0.90	0.90	0.90
Program Assistant	0.50	0.50	0.50
Exec Asst to the City Manager	1	1	1
Secretary	1	0 *1	0
Office Assistant III	0	1 *1	0 *2
Total Permanent	<u>7.40</u>	<u>7.40</u>	<u>6.40</u>
Total Part-Time Hourly	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL POSITIONS	<u>7.40</u>	<u>7.40</u>	<u>6.40</u>

*1 Reclassified the Secretary position to Office Assistant III.

*2 Eliminated the Office Assistant III position.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 973,948	1,055,040	1,042,652
Supplies and Other Services	255,458	218,873	323,735
Capital Outlay	0	34,200	22,550
Interfund Expenditures	479,195	589,000 *1	603,000 *1
TOTAL EXPENDITURES	<u>\$ 1,708,601</u>	<u>1,897,113</u>	<u>1,991,937</u>

*1 Includes increased transfer to the General Operating Fund from the Cable Fund based on estimated cable franchise revenue.

<u>FUNDING SOURCES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Operating Fund	\$ 996,418	1,075,751	1,060,300
General Fund Reserve	0	0	105,000
Cable Television	632,771	733,200	735,412
Shoreline Regional Park Community	79,412	88,162	91,225
TOTAL FUNDING	<u>\$ 1,708,601</u>	<u>1,897,113</u>	<u>1,991,937</u>

**CITY MANAGER'S OFFICE
DEPARTMENT SUMMARY**

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Franchise Fees	\$ 575,142	586,000	600,000
Miscellaneous Revenue	73,000	73,000	73,000
Interfund Revenue Transfers	100,000	0	0
TOTAL REVENUES	\$ 748,142	659,000	673,000

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 805,332	861,455 *1	811,282
Wages	7,483	15,000	25,000 *2
Benefits	161,133	178,585	206,370
	\$ 973,948	1,055,040	1,042,652

*1 Includes decreased fundings of \$5,800 for clerical position reclassification and \$800 for miscellaneous reductions.

*2 Includes \$10,000 for temporary hourly help.

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 38,082	26,498	26,498
Maintenance and Operations	2,034	179 *2	179
Utilities	465	960	960
Professional/Technical Svcs	203,006 *1	134,636 *3	134,636
Other Expenses	11,871	56,600 *4	161,462 *5
	\$ 255,458	218,873	323,735

*1 Includes payments to KMVT based on revenue received.

*2 Includes decreased funding of \$2,000 for Automated Citizens Information System.

*3 Includes decreased funding of \$2,000 for miscellaneous reductions.

*4 Includes decreased funding of \$500 for miscellaneous reductions and one-time funding of \$40,000 for legal services related to the cable franchise renewal.

*5 Includes one-time fundings of \$55,000 for Cuesta Park Annex Master Study, \$40,000 for a Citizens Survey, and \$10,000 for modifications for third-floor reception and rebudgeting the balance of one-time funding (\$39,900) for legal services related to the cable franchise renewal.

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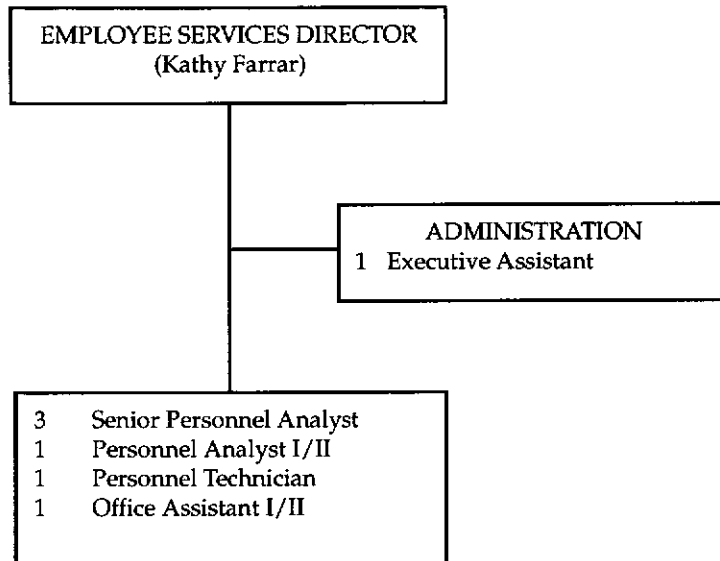
EMPLOYEE SERVICES DEPARTMENT

The Employee Services Department strives to provide the highest quality of service to City departments, employees and prospective employees.

This Department recruits and tests personnel; manages labor relations, equal employment opportunity and employment development activities; coordinates organizational development efforts, including new employee orientations and training programs; administers the City's compensation and benefits program; and conducts special studies and new programs in order to improve the quality of service to employees and the public.

The City strives to hire and retain excellent employees throughout the organization. To do this, the Department recruits the best people it can find and monitors the City's salary and benefits plan for competitiveness. The City values its employees and provides numerous mechanisms to encourage professional growth. The City provides the necessary on-the-job training and designs and implements supervisory and other management training programs for recently promoted employees, as well as existing employees.

EMPLOYEE SERVICES DEPARTMENT



FISCAL YEAR 2005-06 POSITION TOTALS: 8.0 Full-Time

EMPLOYEE SERVICES DEPARTMENT SUMMARY

DEPARTMENT MANAGER-EMPLOYEE SERVICES DIRECTOR

DEPARTMENT MISSION STATEMENT

To attract and retain the most appropriately qualified employees.

DEPARTMENT FUNCTIONS

- Develop and maintain infrastructure for administering effective personnel/employee relation functions.
- Fill vacant positions as quickly and cost effectively as possible while adhering to equal employment principles. (M 1, 3)
- Manage and coordinate the City's grievance and appeals process and assist departments with all disciplinary actions. (M 2)
- Manage and maintain positive employee/labor relations with unrepresented and represented employee groups through negotiations and administration of Memorandums of Understanding and annual review of unrepresented compensation. (M 2, 3)
- Plan and conduct training for employees in personnel-related issues and for supervisors/managers to improve their supervisory skills.
- Orient all new employees to the City and conduct interviews with all employees who separate from City service. (M 4, 5, 6)
- Evaluate and update the City's classification plan through periodic salary surveys, classification/reclassification studies and implement changes to the City's compensation plan as needed. (M 7)
- Manage and administer the City's employee benefits. (M 8, 9)

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Manage the City-wide organization development efforts to identify, manage and improve organizational culture.
- Administer a comprehensive training program for lead, supervisory and management employees, including customer service training.
- Coordinate the development and implementation of work force succession initiatives, including development of retirement/severance packages and new policies.
- Continue implementation of additional features of the HR/Payroll system.
- Conduct special training in drug and alcohol abuse, sexual harassment and other training as necessary.

EMPLOYEE SERVICES DEPARTMENT SUMMARY

- Negotiate a successor agreement with Service Employees International Union (SEIU), Local 715, and the Firefighters Union.
- Evaluate and implement changes to the City's policies and procedures, including employer-employee relations ordinance, family medical leave and employment of hourly/temporary employees.

MAJOR DEPARTMENT CHANGES

- General Operating Fund:

Miscellaneous Reductions (\$3,000)

Reduces budget for New Employee Orientation (\$2,000) and Diversity Training (\$1,000). These programs will not be eliminated but downscaled or absorbed into other existing programs. *Reduces flexibility while utilizing other programs.*

Miscellaneous Ongoing Increase \$10,800

Increases budget for reclassification reviews (\$4,000), Employee Relations Services (ERS) contract (\$3,000), preemployment physicals (\$2,500) and recruitment advertising (\$1,300). The number of requests for reclassification, initiated by the department or by the employee, has increased substantially. Recruitment activity has increased as more positions are being filled. The annual membership fee for ERS is increasing as well as the need for special services provided by ERS. *Relies on outside assistance to handle increased workload and maintains desired level of service.*

Police Recruiting Services \$6,000

Provides increased funding for specialized advertising and promotional testing services related to sworn Police Officers. This was originally requested by the Police Department. *Allows for specialized recruiting services which will lead to the recruitment of highly qualified candidates.*

- General Fund Reserve:

Labor Negotiations (one-time expenditure) \$50,000

Provides one-time funding for the retention of outside services for labor negotiations with three employee organizations. The Memorandums of Understanding for the Mountain View Professional Firefighters, Local 1965, and the Service Employees International Union (SEIU), Local 715, expire June 30, 2006. Another group of currently unrepresented employees or the EAGLES is in the process of organizing as a recognized bargaining group. Negotiations would be required for this group as well should the association be recognized. *Allows the department to manage all three negotiations during the fiscal year.*

**EMPLOYEE SERVICES
DEPARTMENT SUMMARY**

PERFORMANCE/WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
Employee Services Department:					
1. Percent of recruitments successfully completed within the negotiated time line set by the hiring department		New for FY 2004-05	>90%	96.5%	>90%
2. Employee turnover rate	<10%	4.7%	<10%	5.5%	<10%
3. Percent of recruitments/vacant positions filled by existing personnel (excludes promoting within positions classified as I/II)	>30%	65%	>30%	48%	>30%
4. Percent of new employee orientations conducted within 7 days of hire	>98%	100%	>98%	100%	>98%
5. Percent of retirement planning informational meetings conducted with retiring employees		New for FY 2004-05	>90%	83% ^(A)	>90%
6. Percent of employee separation reports processed through to the appropriate agency within the 10-day reporting time line following State guidelines		New for FY 2004-05	>95%	90% ^(B)	>95%
7. Percent of classification reviews analyzed within 90 days of receipt of reclassification questionnaire from the department	>85%	100%	>85%	82% ^(C)	>85%
8. Percent of employee requests for FMLA leave responded to within 2 business days (pursuant to Federal guidelines)		New for FY 2004-05	>95%	97%	>95%
9. Percent of employee benefit inquiries responded to within 2 working days		New for FY 2004-05	>85%	96%	>85%

^(A) Three out of 18 retirees declined retirement meeting, but they did receive City retirement packages.

^(B) Four out of 41 separation reports not processed within 10-day period.

^(C) Three out of 17 requests not completed within 90-day review time.

KF/BUD
LHP-031-01^

**EMPLOYEE SERVICES
DEPARTMENT SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Employee Services Director	1	1	1
Senior Personnel Analyst	3	3	3
Personnel Analyst I/II	1	1	1
Personnel Technician	1	1	1
Executive Assistant	1	1	1
Office Assistant I/II	1	1	1
Total Permanent	<u>8</u>	<u>8</u>	<u>8</u>
Total Part-Time Hourly	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL POSITIONS	<u><u>8</u></u>	<u><u>8</u></u>	<u><u>8</u></u>

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 837,744	891,930	936,431
Supplies and Other Services	198,654	295,675	352,832
Capital Outlay	0	0	0
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	<u><u>\$ 1,036,398</u></u>	<u><u>1,187,605</u></u>	<u><u>1,289,263</u></u>

<u>FUNDING SOURCES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Operating Fund	\$ 1,034,751	1,164,605	1,231,263
General Fund Reserve	0	15,000	50,000
Employee Benefits	1,647	8,000	8,000
TOTAL FUNDING	<u><u>\$ 1,036,398</u></u>	<u><u>1,187,605</u></u>	<u><u>1,289,263</u></u>

**EMPLOYEE SERVICES
DEPARTMENT SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 690,344	733,383	736,058
Wages	5,405	2,940	2,940
Benefits	141,995	155,607	197,433
	<u>\$ 837,744</u>	<u>891,930</u>	<u>936,431</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 12,327	20,400	22,400
Maintenance and Operations	201	350	350
Utilities	90	0	0
Professional/Technical Svcs	61,513	108,800	131,187
Other Expenses	124,523	166,125 *1	198,895 *2
	<u>\$ 198,654</u>	<u>295,675</u>	<u>352,832 *3</u>

*1 Includes one-time funding of \$15,000 for police/fire recruiting and selection assessments.

*2 Includes one-time funding of \$50,000 for labor negotiations.

*3 Includes increased funding of \$10,800 for miscellaneous ongoing increases and \$6,000 for Police recruiting services. Also includes miscellaneous reductions of \$3,000.

NOTES

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FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT

The Finance and Administrative Services Department is responsible for administration of the financial affairs and internal support activities of the City; provision of financial support services to all City departments and programs; managing the City's investment portfolio; and coordinating the City's budget process and annual independent audit. More specifically, the department processes payroll, accounts receivable, utility billings, all City revenues, accounting entries and accounts payable. The department is also responsible for the administration of the Purchasing, Document Processing, Information Technology, Risk Management and other internal support functions. In addition, the department provides staff support to the Council Finance Committee and Investment Review Committee.

ADMINISTRATION

Administration is responsible for the management of the Finance and Administrative Services Department.

FINANCIAL MANAGEMENT DIVISION

The Financial Management Division consists of the Budget and Analysis, Treasury, Payroll and Revenue functions.

The Budget and Analysis Section provides analytical and informational support to the City Council and other City departments as needed. This section analyzes economic trends and forecasts revenues, expenditures and balances for the current fiscal year as well as future fiscal years. In addition, Budget and Analysis manages the budget system and produces the Narrative, Proposed and Adopted Budget documents.

The Treasury Section is responsible for cash flow and portfolio management, investment of City funds and monitoring of special assessment districts.

The Payroll Section processes timecards; payroll documents and biweekly payroll for all City

employees; and prepares reports relating to retirement, insurance, deferred compensation and taxes.

The Revenue Section processes billing and collection for the City's water, wastewater and solid waste utilities; business licenses; and miscellaneous accounts receivable. All moneys due to, or collected by, other City departments are forwarded to this section for deposit and tracking in the City's financial system. In addition, this section is the Finance and Administrative Services Department's primary customer service contact point.

ACCOUNTING DIVISION

The Accounting Division manages and maintains the general accounting and financial records of the City. This division is also primarily responsible for the external audit of the City's financial records and preparation of the Comprehensive Annual Financial Report. The Accounts Payable function within the Accounting Division matches and reconciles all invoices, purchase requisitions, purchase orders, contracts and agreements prior to processing payments of City obligations.

ADMINISTRATIVE SERVICES DIVISION

The Administrative Services Division manages purchasing and support services activities of the City.

The Purchasing Section assures acquisition of price-competitive equipment, services and supplies for City departments. Other services include issuing requests for bid; vendor selection; equipment, supplies and mail delivery; warehousing of operating inventories; training; and sale of surplus equipment.

The Support Services Section provides document processing, graphic design, printing, document reproduction, telecommunications, mail distribution and other administrative services to City departments.

FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT (CONT.)

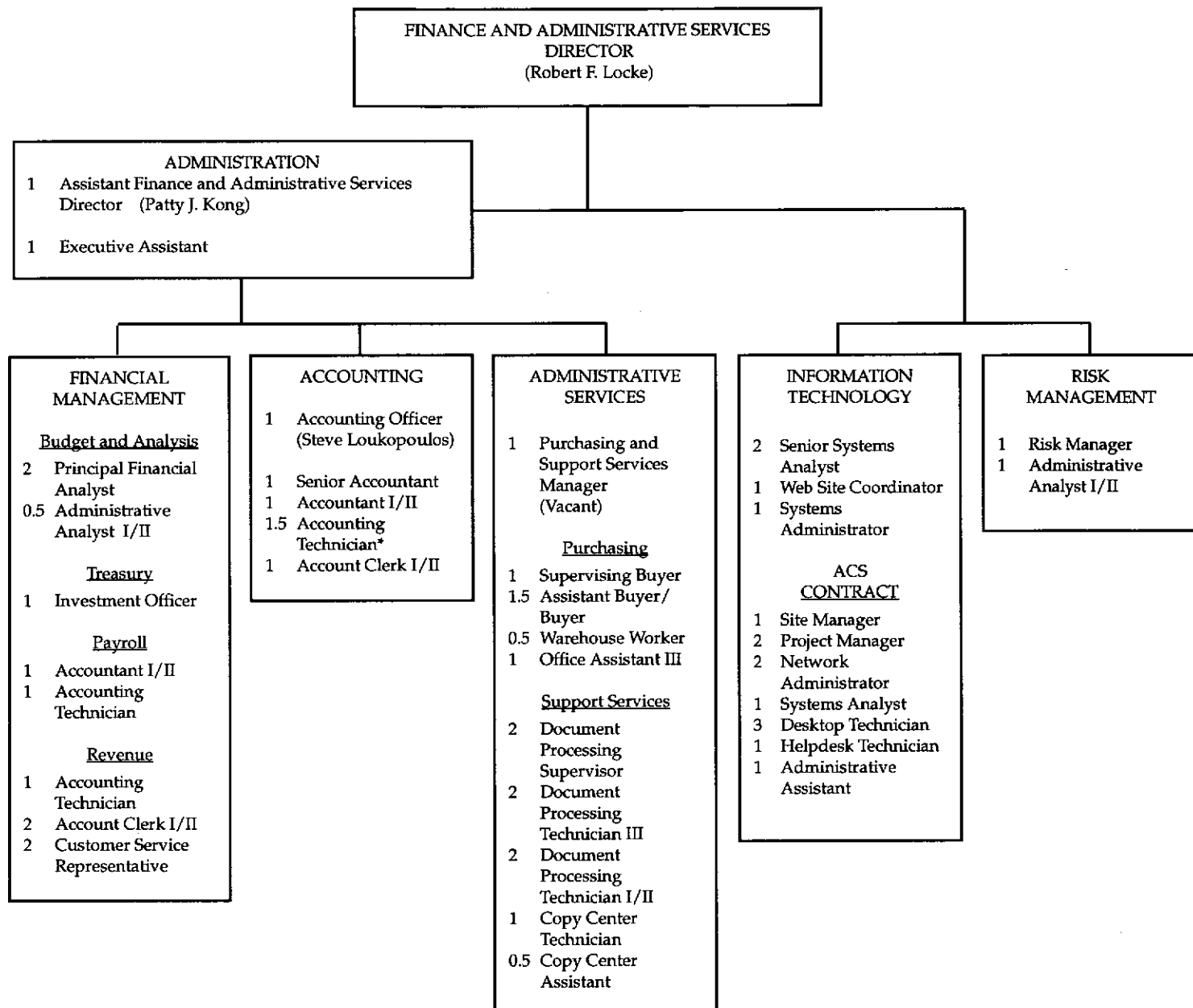
INFORMATION TECHNOLOGY DIVISION

The Information Technology Division plans, maintains and manages the City's computerized information systems and communication networks. Services include systems analysis and design, project management, programming, computer operations, training, computer equipment maintenance, software selection, vendor management, and web site development and support.

RISK MANAGEMENT DIVISION

Risk Management is responsible for managing the City's loss control and risk reduction programs. The City's risk exposures are managed by acquiring insurance, requiring vendors to have insurance and assisting in the maintenance of a safe workplace. This program encompasses the City's comprehensive general liability; property; loss control; workers compensation; long-term disability; and unemployment programs, including the City's self-insurance reserves and excess catastrophic coverage. Risk Management is also responsible for State and OSHA reports and provides guidance to City departments in determining insurance requirements for contracts.

FINANCE & ADMINISTRATIVE SERVICES DEPARTMENT



FISCAL YEAR 2005-06 POSITION TOTALS: 35.0 Full-Time
2.0 Permanent Part-Time
11.0 Contract

* 0.5 Accounting Technician position providing accounting services that is managed by the Finance and Administrative Services Department but budgeted in the golf course (Community Services Department).

FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT SUMMARY

DEPARTMENT MANAGER-FINANCE AND ADMINISTRATIVE SERVICES DIRECTOR

DEPARTMENT MISSION STATEMENT

To support the planning and management of the City's fiscal affairs and to provide internal administrative services to all City departments.

DEPARTMENT FUNCTIONS

- Plan, monitor and report in a timely and accurate manner the City's financial and budgetary position; provide financial analysis and recommendations on major issues facing the City. (M 1)
- Manage the City budget process and produce the annual City budget.
- Manage investment of City funds with the objectives of meeting cash flow requirements and minimizing risk while earning market rates of return. (M 2)
- Manage the City's debt obligations, including special assessment debt; monitor the City's credit rating; recommend and manage issuance of new debt as appropriate.
- Provide timely, accurate and cost-efficient payroll processing. (M 3, 4, 5)
- Process billing and collection of charges for utility and miscellaneous services, providing a high level of accuracy and customer service to residents and businesses. (M 6, 7)
- Manage the City's centralized financial and budgetary control systems, delivering accurate and timely processing of financial transactions and on-time information. (M 1, 8, 9, 10)
- Coordinate and assist with the City's annual independent audit; prepare the Comprehensive Annual Financial Report, required State reports and other reports as necessary.
- Provide efficient and effective, centralized purchasing services as required by the City Charter and City Code and the sale of surplus equipment. (M 11, 12)
- Provide cost-beneficial, centralized document processing, document reproduction and voice mail services. (M 13, 14)
- Manage and support the planning, implementation, operation and maintenance of information systems, providing a reliable City-wide network, electronic mail, public access, City Internet web site, microcomputer support and technical support of computer applications in City departments. (M 15, 16)
- Manage the City's comprehensive general liability, property, loss control, Workers' Compensation, long-term disability and unemployment insurance programs, including self-insurance programs and excess insurances for catastrophic loss. (M 17, 18, 19)

FINANCE AND ADMINISTRATIVE SERVICES

DEPARTMENT SUMMARY

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Coordinate and manage preparation of Fiscal Year 2006-07 City Operating Budget.
- Support Shoreline Amphitheatre operating issues/litigation.
- Develop and present financing alternatives for retirees' health benefits.
- Provide financial and other support to the proposed child-care center.
- Develop a fire engine fleet replacement strategy.
- Review potentials for residential sewer volume-based rates.
- Commence requirements analysis, software assessment and selection process for replacement of the City's utility billing system.
- Support the Council Finance Committee's Request for Proposals process for selection of the City's external auditors in accordance with new Council policy.
- Implement upgrades to or rebuild the City's web site (including CitySeek system replacement).
- Support conversion of the Library Computer Center to a Computer Training Center.

PERFORMANCE/WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
Financial Management:					
1. Accuracy of final budget numbers—percent of budget corrections needed due to error	<2%	0.9%	<2%	0.6%	<2%
2. Percent of time portfolio's market risk target (modified duration) is within:					
— 3.0 percent of the benchmark (policy requires 25 percent of time within 3.0 percent)	>50%	83.3%	>50%	58.3%	>50%
— 15.0 percent of the benchmark (policy requires 100 percent of time within 15.0 percent)	100%	100%	100%	100%	100%

**FINANCE AND ADMINISTRATIVE SERVICES
DEPARTMENT SUMMARY**

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
3. Cost per payroll check issued (cost of payroll operation to total paychecks issued)	<\$11.00	\$8.34	<\$11.00	\$7.34	<\$9.00
4. Percent of reissued payroll checks versus total issued	<2%	0.16%	<2%	0.18%	<2%
5. Payroll checks issued	20,000	20,766	20,000	21,854	24,000
6. Percent of utility bills processed and mailed seven days from last meter reading date	>95%	100%	>95%	100%	>95%
7. Percent of utility accounts and accounts receivable accounts written off as a percent of total receivables	<3%	0.22%	<3%	0.12%	<3%
Accounting:					
8. Percent of correcting accounting entries to total accounting entries	<20%	11%	<20%	9%	<20%
9. Percent of month-end closes com- pleted within 10 working days (target assumes June and July will not close within 10 working days due to year-end workload)	>83%	92%	>83%	83.3%	>83%
10. Cost of Accounts Payable processing as a percent of total dollars spent	<1%	0.23%	<1%	0.2%	<1%
Administrative Services:					
11. Cost of procurement services as a percent of total dollars spent	<4%	3.6%	<4%	2.6%	<4%
12. Percent of time purchase orders issued timely	>75%	95%	>85%	89%	>85%
13. Percent of time Document Processing documents are completed timely	>90%	99%	>90%	99%	>90%
14. Percent of time Copy Center documents are completed timely	>90%	98%	>90%	99%	>90%
Information Technology:					
15. Cost of information services as a percent of total City department expenditures	<3%	1.7%	<3%	2%	<3%
16. Percent of time network is up	>98%	99%	>98%	99%	>98%
Risk Management:					
17. Percent of Workers' Compensation program costs to total payroll	<5%	2.79%	<5%	3.4%	<5%
18. Percent of hours lost to occupational injury compared to total hours worked	<1.5%	0.26%	<1.5%	0.51%	<1.5%

**FINANCE AND ADMINISTRATIVE SERVICES
DEPARTMENT SUMMARY**

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
19. Percent of dollars recovered compared to expenditures paid to repair damage due to third-party vehicle accidents	100%	100%	100%	100%	100%

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**FINANCE AND ADMINISTRATIVE SERVICES
DEPARTMENT SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Finance and Administrative Svcs Director	1	1	1
Assistant Finance and Admin Svcs Director	1	1	1
Administrative Services Manager	1	1	0 *4
Purchasing and Support Services Manager	0	0	1 *4
Risk Manager	1	1	1
Accounting Officer	1	1	1
Principal Financial Analyst	2	2	2
Investment Officer	1	1	1
Senior Systems Analyst	2	2	2
Senior Accountant	1	1	1
Web Site Cordinator	1	1	1
Administrative Analyst I/II	1.50	1.50	1.50
Accountant I/II	2	2	2
Supervising Buyer	1	1	1
Document Processing Supervisor	2	2	2
Assistant Buyer/Buyer	1.50	1.50	1.50
Systems Coordinator/Technician	0.50	0.50	0 *5
Systems Administrator	0.50	0.50	1 *5
Accounting Technician	3.50	3 *2	3
Account Clerk I/II	4	3.50 *2	3 *6
Document Processing Technician III	2	2	2
Document Processing Technician I/II	2	2	2
Warehouse Worker	0.50	0.50	0.50
Executive Assistant	1	1	1
Copy Center Technician	1	1	1
Copy Center Assistant	0.50	0.50	0.50
Customer Service Representative	2	2	2
Office Assistant III	1	1	1
Total Permanent	38.50	37.50	37
Total Part-Time Hourly	0.29	0.25 *3	0.25
TOTAL POSITIONS	38.79 *1	37.75 *1	37.25 *1

*1 In addition, there are eleven positions provided by contract.

*2 Eliminated 0.50 Accounting Technician position and 0.50 Account Clerk I/II position.

*3 Eliminated hours.

*4 Reclassification of the Administrative Services Manager position to Purchasing and Support Services Manager.

*5 Mid-year reclassification of System Coordinator/Technician position to System Administrator.

*6 Eliminated 0.50 Account Clerk I/II position.

**FINANCE AND ADMINISTRATIVE SERVICES
DEPARTMENT SUMMARY**

<u>DEPARTMENT PROGRAMS</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Finance and Admin. Services Admin.	\$ 858,782	917,076	936,408
Financial Management	1,014,357	1,152,248	1,219,949
Accounting	473,233	527,684	510,693
Administrative Services	3,429,099	3,782,934	1,788,876
Information Technology	0	0	2,201,979
Risk Management	2,364,565	3,271,708	3,256,986
	<u>\$ 8,140,036</u>	<u>9,651,650</u>	<u>9,914,891</u>

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 3,432,423	3,842,224	3,928,360
Supplies and Other Services	4,693,024	5,792,726	5,804,031
Capital Outlay	0	0	170,000
Interfund Expenditures	14,589	16,700	12,500
TOTAL EXPENDITURES	<u>\$ 8,140,036</u>	<u>9,651,650</u>	<u>9,914,891</u>

<u>FUNDING SOURCES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Operating Fund	\$ 5,649,401	6,198,047	6,309,258
General Fund Reserve	0	15,000	144,155
Water	273,023	415,053	437,928
Workers Compensation Insurance	1,216,069	1,558,000	1,558,000
Unemployment Self-Insurance	87,671	80,000	80,000
Liability Self-Insurance	913,872	1,385,550	1,385,550
TOTAL FUNDING	<u>\$ 8,140,036</u>	<u>9,651,650</u>	<u>9,914,891</u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Miscellaneous Revenue	\$ 64,063	5,150	8,700
TOTAL REVENUES	<u>\$ 64,063</u>	<u>5,150</u>	<u>8,700</u>

FINANCE AND ADMINISTRATIVE SERVICES—ADMINISTRATION

PROGRAM SUMMARY

PROGRAM MANAGER—FINANCE AND ADMINISTRATIVE SERVICES DIRECTOR

PROGRAM MISSION STATEMENT

To plan, manage and direct the operations of the Finance and Administrative Services Department.

PROGRAM FUNCTIONS

- Plan, monitor and report in a timely and accurate manner the City's financial and budgetary position; provide financial analysis and recommendations on major issues facing the City.
- Manage the provision of centralized financial and administrative services and establish the goals, objectives and priorities of the department consistent with those of the City Council and City Manager.
- Provide analytical support and long-range financial planning to the City Council, City Manager's Office and other departments.
- Recommend and oversee administration of City financial policies.
- Direct the City's revenue and lessee audit program and resolution of audit findings.
- Represent City interests to rating agencies, financial service providers and other outside parties.
- Oversee the City's portfolio management program, assuring policy compliance in all respects.
- Provide leadership in the continuous effort to improve the quality of services provided by the department.
- Represent the department and coordinate inter- and intradepartment communications and projects.
- Oversee the City's purchasing operations and the development, operation and provision of information systems in a manner consistent with the City's goals and priorities.
- Cooperate with outside auditors performing independent audits of financial transactions.

FINANCE AND ADMINISTRATIVE SERVICES—ADMINISTRATION

PROGRAM SUMMARY

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Coordinate and manage preparation of Fiscal Year 2006-07 City Operating Budget.
- Support Shoreline Amphitheatre operating issues/litigation.
- Develop and present financing alternatives for retirees' health benefits.
- Provide financial and other support to the proposed child-care center.
- Develop a fire engine fleet replacement strategy.

MAJOR PROGRAM CHANGES

- General Operating Fund:
 - CCAN Innovation Group Membership (\$3,800)
Eliminates the City membership to the CCAN Innovation Group. *Decreases resources for organizational improvement.*
 - Miscellaneous Increase \$6,681
Provides for a cost-of-living increase for the City membership in the Community Health Awareness Council (CHAC). *Maintains desired level of service.*

SN/BUD
LHP-541-02^

**FINANCE AND ADMINISTRATIVE SERVICES - ADMINISTRATION
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Finance and Administrative Srvcs Director	1	1	1
Assistant Finance and Admin Srvcs Director	1	1	1
Executive Assistant	1	1	1
Total Permanent	<u>3</u>	<u>3</u>	<u>3</u>
Total Part-Time Hourly	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL POSITIONS	<u><u>3</u></u>	<u><u>3</u></u>	<u><u>3</u></u>

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 462,796	483,170	511,352
Supplies and Other Services	395,986	433,906	425,056
Capital Outlay	0	0	0
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	<u><u>\$ 858,782</u></u>	<u><u>917,076</u></u>	<u><u>936,408</u></u>

**FINANCE AND ADMINISTRATIVE SERVICES - ADMINISTRATION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 397,898	412,307	420,081
Wages	0	0	0
Benefits	64,898	70,863	91,271
	<u>\$ 462,796</u>	<u>483,170</u>	<u>511,352</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 15,979	20,270	20,270
Maintenance and Operations	5,500	0	0
Utilities	648	1,200	1,200
Professional/Technical Svcs	129,507	116,300	116,300
Other Expenses	244,352	296,136 *1	287,286 *2
	<u>\$ 395,986</u>	<u>433,906</u>	<u>425,056</u>

*1 Includes increased funding of \$1,900 for Community Health Awareness Council nonprofit agency.

*2 Includes increased funding of \$6,681 for Community Health Awareness Council nonprofit agency and reduction of \$3,800 for CCAN Innovation Group City membership.

FINANCE AND ADMINISTRATIVE SERVICES—FINANCIAL MANAGEMENT PROGRAM SUMMARY

PROGRAM MANAGER—ASSISTANT FINANCE AND ADMINISTRATIVE SERVICES DIRECTOR

PROGRAM MISSION STATEMENT

To provide financial analysis support and manage the City's financial resources and internal control system; process timely and accurate payroll, utility billings and provide quality customer service.

PROGRAM FUNCTIONS

- Manage the City budget process and produce the annual City budget.
- Manage investment of City funds with the objectives of meeting cash flow requirements and minimizing risk while earning market rates of return.
- Manage the City's debt obligations, including special assessment debt; monitor the City's credit rating; recommend and manage issuance of new debt as appropriate.
- Provide timely, accurate and cost-efficient payroll processing.
- Process billing and collection of charges for utility and miscellaneous services, providing a high level of accuracy and customer service to residents and businesses.
- Forecast, monitor and report financial trends and developments.
- Provide analytical support to other departments.
- Monitor and review fees for City services.
- Manage public counter, cashiering functions and the processing of all City revenues.
- Issue business licenses and administer the City's business license ordinance.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Coordinate and manage preparation of the Fiscal Year 2006-07 City Operating Budget.
- Develop and present financing alternatives for retirees' health benefits.
- Review potentials for residential sewer volume-based rates.
- Commence requirements analysis and software assessment for replacement of the City's utility billing system.
- Continue to implement efficiencies to streamline internal budget review and compilation process.
- In conjunction with the Employee Services Department, assist with implementation of new features of the HR/Payroll system.

FINANCE AND ADMINISTRATIVE SERVICES—FINANCIAL MANAGEMENT PROGRAM SUMMARY

MAJOR PROGRAM CHANGES

- General Fund Reserve:

Cost Allocation/Overhead Plan (one-time expenditure)

\$15,000

Provides one-time funding to update the City's overhead allocation plan. *Updates overhead charges between funds and for calculating fees and charges.*

SN/BUD

LHP-541-03^

**FINANCE AND ADMINISTRATIVE SERVICES - FINANCIAL MANAGEMENT
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Principal Financial Analyst	2	2	2
Investment Officer	1	1	1
Administrative Analyst I/II	0.50	0.50	0.50
Accountant I/II	1	1	1
Accounting Technician	2.50	2 *1	2
Account Clerk I/II	2	2	2
Customer Service Representative	2	2	2
Total Permanent	<u>11</u>	<u>10.50</u>	<u>10.50</u>
Total Part-Time Hourly	<u>0</u>	<u>0.25 *1</u>	<u>0.25</u>
TOTAL POSITIONS	<u><u>11</u></u>	<u><u>10.75</u></u>	<u><u>10.75</u></u>

*1 Eliminated 0.50 Accounting Technician position and added hours.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 906,478	965,688	1,018,389
Supplies and Other Services	107,879	186,560	186,560
Capital Outlay	0	0	15,000
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	<u><u>\$ 1,014,357</u></u>	<u><u>1,152,248</u></u>	<u><u>1,219,949</u></u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Miscellaneous Revenue	\$ 2,564	150	950
TOTAL REVENUES	<u><u>\$ 2,564</u></u>	<u><u>150</u></u>	<u><u>950</u></u>

**FINANCE AND ADMINISTRATIVE SERVICES - FINANCIAL MANAGEMENT
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 723,427	752,662	765,402
Wages	3,416	20,946	20,312
Benefits	179,635	192,080	232,675
	<u>\$ 906,478</u>	<u>965,688</u>	<u>1,018,389</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 59,333	78,040 *1	78,040
Maintenance and Operations	60	4,050	4,050
Utilities	0	0	0
Professional/Technical Svcs	47,287	81,892	81,892
Other Expenses	1,199	22,578 *2	22,578 *3
	<u>\$ 107,879</u>	<u>186,560</u>	<u>186,560</u>

*1 Includes increased funding of \$8,000 for utility billing postage.

*2 Includes one-time funding of \$15,000 for a hotel compliance audit.

*3 Includes one-time funding of \$15,000 for the City's cost allocation/overhead plan update.

NOTES

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FINANCE AND ADMINISTRATIVE SERVICES—ACCOUNTING PROGRAM SUMMARY

PROGRAM MANAGER—ACCOUNTING OFFICER

PROGRAM MISSION STATEMENT

To maintain the internal integrity, controls and operations of the accounting system and related processes, providing a high level of customer service to departments and vendors.

PROGRAM FUNCTIONS

- Manage the City's centralized financial and budgetary control systems, delivering accurate and timely processing of financial transactions and on-time information.
- Cooperate and assist with the City's annual independent audit; prepare the Comprehensive Annual Financial Report, required State reports and other reports as necessary.
- Process accounts payable and fixed asset information timely and accurately.
- Report in a timely and accurate manner City departments' financial/budgetary position; provide training and support for departments to access and input information in the financial system.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Support the Council Finance Committee's Request for Proposals process for selection of the City's external auditors in accordance with Council policy.
- Continue implementation of additional features and departmental training on the City's financial system.
- Implement new GASB requirements.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Accounts Payable Clerk Position (.50)

(\$35,000)

Eliminates a half-time Accounts Payable Clerk position. As efficiencies and technologies have been implemented and budget constraints occurred, the workload in processing invoices has decreased. *Eliminates flexibility of remaining Accounts Payable staff to absorb workload if activity increases.*

SN/BUD
LHP-541-04^

**FINANCE AND ADMINISTRATIVE SERVICES - ACCOUNTING
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Accounting Officer	1	1	1
Senior Accountant	1	1	1
Accountant I/II	1	1	1
Accounting Technician	1	1	1
Account Clerk I/II	2	1.50 *2	1 *3
Total Permanent	6	5.50	5
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	6 *1	5.50 *1	5

*1 In addition, there is one-half Accounting Technician position budgeted in the Community Services Department, but located in the Accounting Division.

*2 Eliminated 0.50 Account Clerk I/II position.

*3 Eliminated 0.50 Account Clerk I/II position.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 471,274	518,339	501,348
Supplies and Other Services	1,959	9,345	9,345
Capital Outlay	0	0	0
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	\$ 473,233	527,684	510,693

**FINANCE AND ADMINISTRATIVE SERVICES - ACCOUNTING
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 384,902	416,133	391,270
Wages	0	0	0
Benefits	86,372	102,206	110,078
	<u>\$ 471,274</u>	<u>518,339</u>	<u>501,348</u>

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 1,396	4,295	4,395
Maintenance and Operations	0	1,200	300
Utilities	0	0	0
Professional/Technical Svcs	268	0	0
Other Expenses	295	3,850	4,650
	<u>\$ 1,959</u>	<u>9,345</u>	<u>9,345</u>

FINANCE AND ADMINISTRATIVE SERVICES—ADMINISTRATIVE SERVICES PROGRAM SUMMARY

PROGRAM MANAGER—PURCHASING AND SUPPORT SERVICES MANAGER

PROGRAM MISSION STATEMENT

To provide integrated procurement, document processing and other organizational support services in a service-oriented, cost-efficient manner.

PROGRAM FUNCTIONS

- Provide efficient and effective, centralized purchasing services as required by the City Charter and City Code and the sale of surplus equipment.
- Provide cost-beneficial, centralized document processing, document reproduction and voice mail services.
- Obtain timely delivery of price-competitive equipment, supplies and services; capitalize on quantity discounts and reduce paperwork by aggregating like purchases and services.
- Provide centralized storage and inventory control of high-use supplies and surplus property; provide storage for other departments; and provide inter-building delivery of mail and supplies.
- Advise and assist City departments on product or service specifications and results of the purchasing process; provide training on proper purchasing procedures; and solicit customer feedback to constantly improve procurement processes.
- Coordinate cost-effective telephone services including long distance service, voice mail applications and cellular phone service.
- Manage City Hall security and janitorial services.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Review the City's procurement card program and implement necessary changes to assure maximum efficiencies and savings and assist ongoing audit and control processes governing use of procurement cards.
- Manage the purchase of replacement computer hardware and software.

FINANCE AND ADMINISTRATIVE SERVICES—ADMINISTRATIVE SERVICES PROGRAM SUMMARY

MAJOR PROGRAM CHANGES

- General Operating Fund:

Department Reorganization

(\$20,000)

Includes the downward classification of a manager position, resulting from a department reorganization. *Reduces management capacity of the department and shifts additional supervision to remaining departmental managers.*

SN/BUD

LHP-541-05^

**FINANCE AND ADMINISTRATIVE SERVICES - ADMINISTRATIVE SERVICES
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED	
Administrative Services Manager	1	1	0	*3
Purchasing and Support Services Manager	0	0	1	*3
Supervising Buyer	1	1	1	
Assistant Buyer/Buyer	1.50	1.50	1.50	
Senior Systems Analyst	2	2	0	*4
Web Site Coordinator	1	1	0	*4
Systems Coordinator/Technician	0.50	0.50	0	*4
Systems Administrator	0.50	0.50	0	*4
Document Processing Supervisor	2	2	2	
Document Processing Technician III	2	2	2	
Document Processing Technician I/II	2	2	2	
Warehouse Worker	0.50	0.50	0.50	
Copy Center Technician	1	1	1	
Copy Center Assistant	0.50	0.50	0.50	
Office Assistant III	1	1	1	
Total Permanent	16.50	16.50	12.50	
Total Part-Time Hourly	0.29	0	0	*2
TOTAL POSITIONS	16.79 *1	16.50 *1	12.50	

*1 In addition, there are eleven positions provided by contract.

*2 Eliminated hours.

*3 Reclassification of the Administrative Services Manager position to Purchasing and Support Services Manager.

*4 Positions moved to newly created Information Technology Program.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED	
Salaries Wages and Benefits	\$ 1,451,300	1,539,199	1,079,581	
Supplies and Other Services	1,963,210	2,227,035	566,795	
Capital Outlay	0	0	130,000	
Interfund Expenditures	14,589	16,700	12,500	
TOTAL EXPENDITURES	\$ 3,429,099	3,782,934	1,788,876	*1

*1 Budget moved to newly created Information Technology Program.

REVENUE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED	
Miscellaneous Revenue	\$ 13,192	5,000	5,000	
TOTAL REVENUES	\$ 13,192	5,000	5,000	

**FINANCE AND ADMINISTRATIVE SERVICES - ADMINISTRATIVE SERVICES
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 1,192,894	1,252,752	827,844
Wages	1,139	2,000	2,000
Benefits	257,267	284,447	249,737
	<u>\$ 1,451,300</u>	<u>1,539,199</u>	<u>1,079,581</u> *1

*1 Positions moved to newly created Information Technology Program.

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 51,082	68,765	50,915
Maintenance and Operations	280,693	407,763 *1	59,000
Utilities	215,895	258,062	249,700
Professional/Technical Svcs	1,316,373	1,353,765 *2	71,000
Other Expenses	99,167	138,680	136,180
	<u>\$ 1,963,210</u>	<u>2,227,035</u>	<u>566,795</u> *3

*1 Includes increased funding of \$44,000 for hardware and software maintenance.

*2 Includes increased funding of \$2,500 for the Information Services contract.

*3 Budget moved to newly created Information Technology Program.

NOTES

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FINANCE AND ADMINISTRATIVE SERVICES—INFORMATION TECHNOLOGY PROGRAM SUMMARY

PROGRAM MANAGER—FINANCE AND ADMINISTRATIVE SERVICES DIRECTOR

PROGRAM MISSION STATEMENT

To provide information technology in a service-oriented, cost-efficient manner.

PROGRAM FUNCTIONS

- Manage and support the planning, implementation, operation and maintenance of information systems, providing a reliable City-wide network, electronic mail, public access, City Internet web site, microcomputer support and technical support of computer applications in City departments.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Support the replacement of the utility billing system.
- Implement upgrades to or rebuild the City's web site (including CitySeek system replacement).
- Support conversion of the Library Computer Center to a Computer Training Center.
- Manage the installation of replacement network computer hardware and software.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Information Services Contract

\$20,200

Provides for a 1.6 percent cost-of-living adjustment based on February CPI as stipulated in the contract. *Maintains desired level of service.*

SN/BUD
LHP-541-07^

**FINANCE AND ADMINISTRATIVE SERVICES - INFORMATION TECHNOLOGY
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Senior Systems Analyst	0	0	2
Web Site Coordinator	0	0	1
Systems Administrator	0	0	1
Total Permanent	0	0	4 *1
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	0	0	4 *2

*1 Positions transferred from Administrative Services program.

*2 In addition, there are eleven positions provided by contract.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 0	0	496,584
Supplies and Other Services	0	0	1,680,395
Capital Outlay	0	0	25,000
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	\$ 0	0	2,201,979 *1

*1 Budget moved from Administrative Services Program.

**FINANCE AND ADMINISTRATIVE SERVICES - INFORMATION TECHNOLOGY
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 0	0	386,259
Wages	0	0	0
Benefits	0	0	110,325
	<u>\$ 0</u>	<u>0</u>	<u>496,584</u> *1

*1 Positions moved from Administrative Services Program.

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 0	0	17,850
Maintenance and Operations	0	0	348,725
Utilities	0	0	8,400
Professional/Technical Svcs	0	0	1,302,920 *1
Other Expenses	0	0	2,500
	<u>\$ 0</u>	<u>0</u>	<u>1,680,395</u> *2

*1 Includes increased funding of \$20,200 for the Information Services contract.

*2 Budget moved from Administrative Services Program.

NOTES

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FINANCE AND ADMINISTRATIVE SERVICES—RISK MANAGEMENT PROGRAM SUMMARY

PROGRAM MANAGER—FINANCE AND ADMINISTRATIVE SERVICES DIRECTOR

PROGRAM MISSION STATEMENT

To manage and minimize the City's exposure to accidental loss through acquisition of insurance or self-insuring risks.

PROGRAM FUNCTIONS

- Manage the City's comprehensive general liability, property, loss control, Workers' Compensation, long-term disability and unemployment insurance programs, including self-insurance programs and excess insurance for catastrophic loss.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Provide safety training and monitor/report on City legal compliance with workplace safety requirements.
- Investigate strategies and alternatives to mitigate rising insurance costs in each area of the insurance program.
- Provide periodic reports to department managers on status of Workers' Compensation claims, costs and claims mitigation strategies; monitor and report on cost impacts of new laws aimed at reducing Workers' Compensation costs.
- Oversee and manage City-wide ergonomic program.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Department Reorganization

(\$30,000)

Includes the downward classification of a management position, resulting from a department reorganization. *Reduces management capacity of the department and shifts additional supervision to remaining departmental managers.*

SN/BUD
LHP-541-06^

**FINANCE AND ADMINISTRATIVE SERVICES - RISK MANAGEMENT
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Risk Manager	1	1	1
Administrative Analyst I/II	1	1	1
Total Permanent	2	2	2
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	2	2	2

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 140,575 *1	335,828 *2	321,106 *2
Supplies and Other Services	2,223,990	2,935,880	2,935,880
Capital Outlay	0	0	0
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	\$ 2,364,565	3,271,708	3,256,986

*1 Includes workers' compensation claims for safety personnel not returning to work.

*2 Includes \$100,000 for workers' compensation claims.

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Miscellaneous Revenue	\$ 48,307	0	2,750
TOTAL REVENUES	\$ 48,307	0	2,750

**FINANCE AND ADMINISTRATIVE SERVICES - RISK MANAGEMENT
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 111,914	290,083 *2	268,173 *2
Wages	1,554	1,500	1,500
Benefits	27,107	44,245	51,433
	<u>\$ 140,575 *1</u>	<u>335,828</u>	<u>321,106</u>

*1 Includes workers' compensation claims for safety personnel not returning to work.

*2 Includes \$100,000 for workers' compensation claims and reduction of \$30,000 for the department reorganization.

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 743	5,000	5,000
Maintenance and Operations	0	0	0
Utilities	0	0	0
Professional/Technical Svcs	270,131	372,550	372,550
Other Expenses	1,953,116	2,558,330	2,558,330
	<u>\$ 2,223,990</u>	<u>2,935,880</u>	<u>2,935,880</u>

NOTES

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COMMUNITY DEVELOPMENT DEPARTMENT

The Community Development Department is responsible for the review of development and building activity to ensure compliance with zoning and building codes, economic development goals, General Plan policies, the California Environmental Quality Act (CEQA) and community values. The department assists the community in establishing land use and neighborhood plans and ensures the quality of new projects through the design and development review process. The Department staffs the Environmental Planning Commission (EPC), the Council Neighborhoods Committee, the Downtown Committee, the Visual Arts Committee and other citizen committees in addition to establishing and maintaining communications with citizens, developers, businesses, other governmental agencies and City departments. The Department also provides technical and policy support to the City Manager and other departments.

ADMINISTRATION

Administration is responsible for the management of the Community Development Department.

PLANNING DIVISION

Planning participates in long-range local and regional planning activities and is responsible for all matters concerning the implementation of the Zoning Ordinance, including the issuance of use permits, variance requests and planned unit development permits. This division assembles community data; develops and maintains the City's General Plan, precise plans and Zoning Ordinance; reviews and administers zone change proposals; provides primary staffing to the EPC; reviews private development projects for design and compliance with the Zoning Ordinance; is responsible for CEQA review and subdivision design; and provides information to the public on regulations, zoning codes and development projects. This division provides information for private-sector businesses, investors and developers considering locations in Mountain View and participates in early discussions with people considering new development or uses in the City. The division

also holds hearings on proposed projects through the Development Review Committee and the Zoning Administrator.

ECONOMIC DEVELOPMENT DIVISION

Economic Development is responsible for the City-wide economic development program. Economic Development staff serves as a primary contact and liaison with prospective new businesses who may need assistance in finding and developing an appropriate site. Another key function is retaining existing businesses by responding to situations where a business may need to expand or relocate. The program includes outreach efforts such as the corporate visitation program and regional economic development programs.

The Economic Development Division is also responsible for staffing the Downtown Committee and works closely with downtown businesses, property owners and developers. The division is responsible for recruitment and retention of downtown businesses, the review of public and private projects in the downtown, coordination for the continued improvement and maintenance of the downtown, and for implementation of the Downtown Precise Plan.

NEIGHBORHOOD PRESERVATION DIVISION

Neighborhood Preservation handles a variety of neighborhood and housing-related issues, including affordable housing information, the Below-Market-Rate (BMR) housing program, a volunteer mediation program for neighborhood and tenant/landlord disputes, and other activities that support a variety of housing opportunities and promote quality neighborhoods. It is also responsible for staffing the Council Neighborhoods Committee, that hold neighborhood meetings throughout the City.

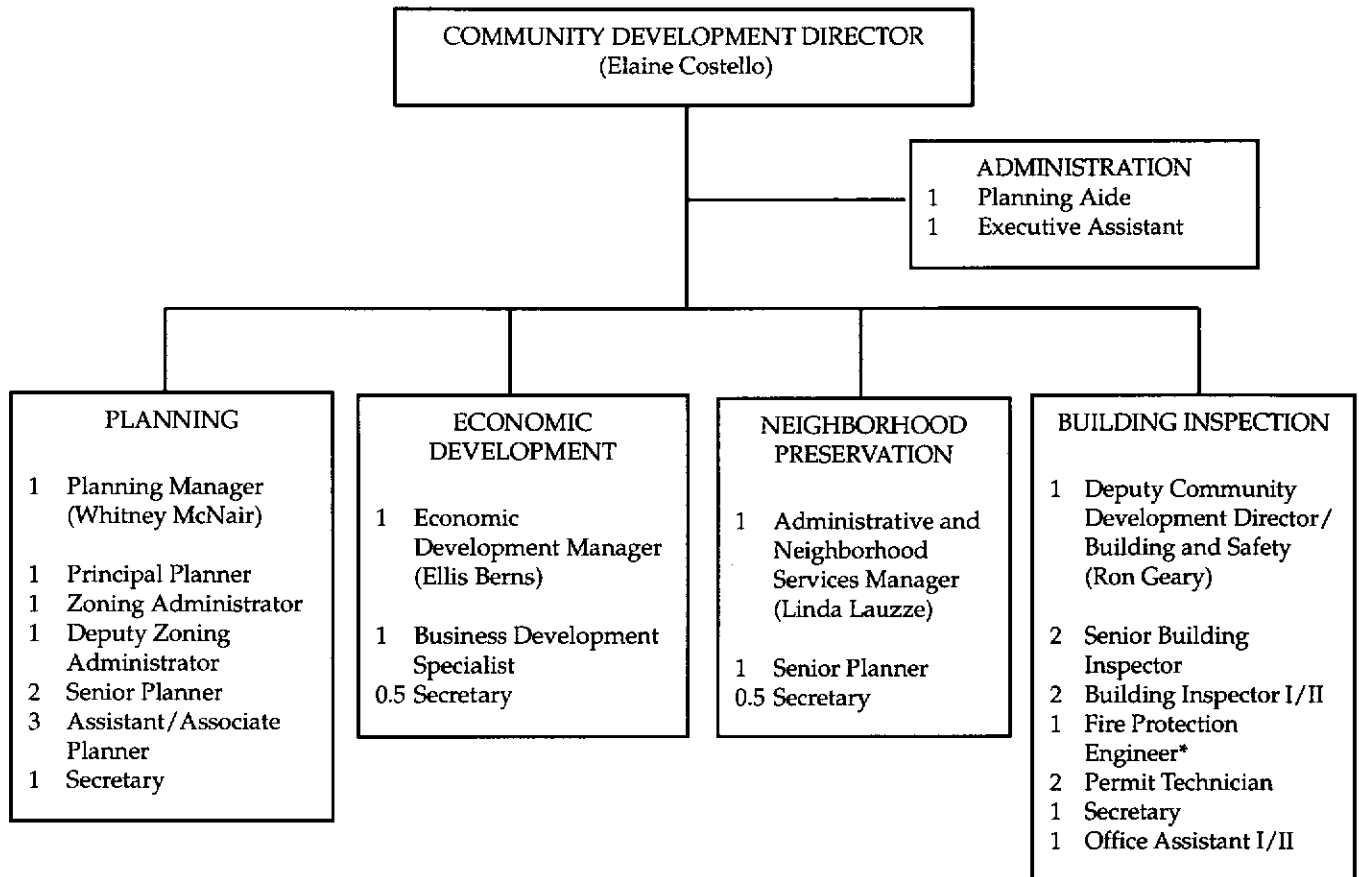
COMMUNITY DEVELOPMENT DEPARTMENT (CONT.)

This division also administers the Community Development Block Grant (CDBG) and HOME Federal funds allocated to the City by the U.S. Department of Housing and Urban Development. These grant funds benefit primarily low- and moderate-income citizens by funding affordable housing projects and community services and improvements.

BUILDING INSPECTION DIVISION

By locating the building inspection function in the Community Development Department, the City can provide true "one-stop" service to the public. The division, which includes new construction fire prevention functions, reviews all construction plans to process applications in a coordinated and efficient manner to ensure compliance with the Building and Fire Code. The Building Division also inspects buildings under construction to ensure that they comply with these codes. In addition, Building Inspection staff provides information to citizens regarding home improvement regulations.

COMMUNITY DEVELOPMENT DEPARTMENT



FISCAL YEAR 2005-06 POSITION TOTALS: 27.0 Full-Time

* Located in Community Development Department but budgeted in Fire Department.

COMMUNITY DEVELOPMENT DEPARTMENT SUMMARY

DEPARTMENT MANAGER—COMMUNITY DEVELOPMENT DIRECTOR

DEPARTMENT MISSION STATEMENT

To provide land use, building development, neighborhood protection, economic development and environmental policy services.

DEPARTMENT FUNCTIONS

- Respond promptly to individual applications or Environmental Planning Commission/City Council-initiated General Plan and Zoning Ordinance amendments and precise plan changes. (M 1)
- Provide support for the comprehensive planning efforts of citizens, City Council and the Environmental Planning Commission. (M 2)
- Provide timely, professional assistance with the review of proposed subdivision applications and development applications for Development Review Committee and Zoning Administrator hearings. (M 3)
- Provide zoning and planning information to the public in a timely, complete, accurate and courteous manner. (M 3)
- Provide a foundation for long-range planning activities by maintaining comprehensive data bases on land use, demographics and economics.
- Manage and coordinate the Corporate Visitation Program. (M 4)
- Retain existing businesses and attract new businesses throughout the City. (M 5, 6)
- Provide staff support to the Downtown Committee and subcommittees and the Visual Arts Committee.
- Manage affordable housing programs that include the Below Market Rate (BMR) program, new affordable housing projects and oversight of Federally subsidized units.
- Provide staff support to the Council Neighborhoods Committee (CNC) and neighborhood programs. (M 7, 8, 9)
- Assist the City Council in allocating CDBG/HOME funding and monitor the use of these funds in compliance with Federal regulations. (M 10)
- Maintain the efficiency of the City's plan review and permit system and building fire life safety inspection elements of the City's development review process, while integrating the requirements of City departments and other public agencies with the customer's needs. (M 11, 12, 13)

COMMUNITY DEVELOPMENT DEPARTMENT SUMMARY

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Manage development activity while ensuring quality development that is sensitive to community goals and consistent with City standards and continue to streamline the development review process.
- Implement high-priority Housing Element actions.
- Prepare a minimum-density study for housing projects.
- Continue the review of the Toll Brothers proposal for the Mayfield site (Precise Plan, environmental review and project).
- Assist with the development of Cuesta Park Master Plan.
- Complete preparation of a high-density residential R4 zoning district.
- Implement Council action on a permanent Historic Preservation Ordinance and conduct historic surveys.
- Process rezoning of 291 Evandale Avenue.
- Process rezoning of 274-300 Ferguson Drive from industrial to residential.
- Continue processing the Central Park Apartments rezoning and General Plan amendment.
- Process redevelopment of Southbay Christian Center School to housing.
- Coordinate private development from design review through construction, including the following major projects:
 - Palo Alto Medical Foundation Campus.
 - Downtown parking structure.
 - El Camino Hospital.
 - Avenidas Senior Day Health-care Facility.
 - Efficiency studios project.
 - Mayfield site.
 - Whisman Station expansion.
 - Costco expansion.
 - BMW expansion.
 - Mountain View Hotel renovation and other downtown projects.
 - R Club redevelopment.
 - 505 Evelyn Avenue (152 rowhouses).
 - Charleston Road retail center.
 - 2545-2585 West Middlefield Road (76 apartments).
 - 180 Evandale Avenue (30 to 40 rowhouses).
- Support code enforcement efforts.
- Review Charleston East Precise Plan—removal of nonprofit use reference.

COMMUNITY DEVELOPMENT DEPARTMENT SUMMARY

- Review Moffett Boulevard/Highway 101 gateway property planning.
- Continue support of the Downtown Committee and downtown initiatives, including continuation of a downtown retail recruitment and marketing strategy.
- Implement a City-wide economic development strategy/economic development plan.
- Evaluate creation of an Economic Development Task Force.
- Continue management of the efficiency studios project by monitoring prevailing wage and reviewing the management plan and tenant selection program.
- Complete development of an Affordable Housing Strategy.
- Continue support for the Council Neighborhoods Committee Neighborhood Grant Program and neighborhood meetings.

PERFORMANCE/WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
Planning:					
1. Percent of time that staff analysis and recommendation on General Plan or rezoning applications are completed within the established schedule	>80%	100%	>80%	100%	>80%
2. Number of Advance Planning projects:		New for FY 2004-05			
• Ongoing major projects (requiring EPC and/or Council action)			4	12	4
• New minor projects			5	3	5
3. Land use applications processed by:					
• City Council	5	23	8	10	8
• Zoning Administrator	35	68	40	70	40
• Development Review Committee	85	129	85	104	85
• Over the counter	100	113	100	81	90
Economic Development:					
4. Percent of time corporate visits goal of 12 visits per year is met	>80%	83.33%	>80%	83%	>80%
5. Percent of businesses that generate major sales tax to the City per year visited by staff	>50%	60%	>50%	50%	>50%
6. Number of contacts with businesses interested in relocating or expanding in Mountain View	50	55	50	55	50

**COMMUNITY DEVELOPMENT
DEPARTMENT SUMMARY**

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
Neighborhood Preservation:					
7. Percent of mediation participants rating customer satisfaction level as "good" or higher	>80%	89%	>80%	89%	>80%
8. Percent of identified neighborhood areas included in neighborhood meetings sponsored by the Council Neighborhoods Committee	50%	50%	50%	50%	50%
9. Number of mediation requests handled	210	240	210	227	210
10. Percent of Federally funded contracts carried out in compliance with City and Federal requirements	100%	100%	100%	100%	100%
Building Inspection:					
11. Percent of time where City provides 24-hour building inspection response for those inspection requests received by 3:00 p.m. on weekdays	>95%	98%	>95%	99%	>95%
12. Percent of time that City meets five-day turnaround plan check for all Fast Track submittals that meet building inspection criteria	>90%	95%	>90%	90%	>90%
13. Construction permits issued	4,000	4,108	3,800	4,419	4,100

RG/BUD
LHP-884-01^

**COMMUNITY DEVELOPMENT
DEPARTMENT SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED	
Community Development Director	1	1	1	
Deputy Comm Dvlpmnt Dir/Bldg & Safety	1	1	1	
Administrative & Neighborhood Svcs Manage:	1	1	1	
Planning Manager	1	1	1	
Economic Development Manager	1	1	1	
Zoning Administrator	0	0	1	*1
Principal Planner	1	1	1	
Senior Deputy Zoning Administrator	1	1	0	*1
Deputy Zoning Administrator	1	1	1	
Business Development Specialist	0	0	1	*2
Assistant Economic Development Manager	1	1	0	*2
Senior Building Inspector	2	2	2	
Senior Planner	3	3	3	
Building Inspector I/II	2	2	2	
Asst/Associate Planner	2	2	3	*3
Planning Aide	1	1	1	
Permit Technician	2	2	2	
Executive Assistant	1	1	1	
Secretary	3	3	3	
Office Assistant I/II	1	1	1	
Total Permanent	26	26	27	
Total Part-Time Hourly	0	0	0	
TOTAL POSITIONS	26	26	27	

*1 Mid-year reclassification of a Senior Deputy Zoning Administrator position to Zoning Administrator.

*2 Mid-year reclassification of an Assistant Economic Development Manager position to Business Development Specialist.

*3 Added one Asst/Associate Planner position.

DEPARTMENT PROGRAMS	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Community Development Administration	\$ 406,903	441,633	479,204
Planning	998,082	1,301,201	1,568,793
Economic Development	1,205,742	1,388,543	813,230
Neighborhood Preservation	814,992	1,599,538	2,238,996
Building Inspection	1,387,168	1,379,601	1,878,977
	\$ 4,812,887	6,110,516	6,979,200

**COMMUNITY DEVELOPMENT
DEPARTMENT SUMMARY**

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 2,578,053	3,018,328	3,271,792
Supplies and Other Services	1,270,670	2,247,488	3,587,408
Capital Outlay	200,000	10,000	0
Interfund Expenditures	764,164	834,700	120,000
TOTAL EXPENDITURES	<u>\$ 4,812,887</u>	<u>6,110,516</u>	<u>6,979,200</u>

<u>FUNDING SOURCES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Operating Fund	\$ 3,052,876	3,272,715	4,215,595
General Fund Reserve	0	158,000	33,000
Below Market Rate Housing Fund	228,128	35,000	17,069
Revitalization Authority	805,930	832,311	205,782
Parking District No.2	181,339	254,042	256,236
Grants Fund	412,429	1,340,427	1,987,062
Shoreline Reg Park Community	132,185	218,021	264,456
TOTAL FUNDING	<u>\$ 4,812,887</u>	<u>6,110,516</u>	<u>6,979,200</u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Licenses & Permits	\$ 1,653,180	1,558,837	1,719,637
Federal Intergovernmental Revenue	318,058	1,314,333	1,247,817
General Service Charges	1,209,676	1,166,369	2,084,229
Miscellaneous Revenue	974	50,000	50,000
TOTAL REVENUES	<u>\$ 3,181,888</u>	<u>4,089,539</u>	<u>5,101,683</u>

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COMMUNITY DEVELOPMENT—ADMINISTRATION

PROGRAM SUMMARY

PROGRAM MANAGER—COMMUNITY DEVELOPMENT DIRECTOR

PROGRAM MISSION STATEMENT

To provide policy and program direction, general management and support to advance planning, economic development, current planning, neighborhood preservation and building inspection, and implement policies established by the City Council and City administration.

PROGRAM FUNCTIONS

- Provide effective communication and coordination regarding planning issues to citizens, City Council, Environmental Planning Commission, Downtown Committee, Council Neighborhoods Committee and City departments.
- Establish and track goals, objectives, performance measures and priorities for each division within Community Development.
- Assure high performance standards and service levels to the public.
- Provide for effective interdepartmental and intradepartmental coordination.
- Develop and monitor the department budget.
- Promote department staff training and professional development.
- Maintain complete and accurate department records.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Manage development activity while ensuring quality development that is sensitive to community goals and consistent with City standards and continue to streamline the development review process.
- Continue efforts to improve public service and public information through the Development Services Center.
- Maintain procedural manuals for all positions in the Clerical Section.
- Support public art through the Visual Arts Committee.

RG/BUD
LHP-884-02^

**COMMUNITY DEVELOPMENT - ADMINISTRATION
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Community Development Director	1	1	1
Planning Aide	1	1	1
Executive Assistant	1	1	1
Total Permanent	<u>3</u>	<u>3</u>	<u>3</u>
Total Part-Time Hourly	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL POSITIONS	<u><u>3</u></u>	<u><u>3</u></u>	<u><u>3</u></u>

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 351,992	374,014	397,085
Supplies and Other Services	54,911	67,619	82,119
Capital Outlay	0	0	0
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	<u><u>\$ 406,903</u></u>	<u><u>441,633</u></u>	<u><u>479,204</u></u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Service Charges	\$ 437	150	400
Miscellaneous Revenue	110	0	0
TOTAL REVENUES	<u><u>\$ 547</u></u>	<u><u>150</u></u>	<u><u>400</u></u>

**COMMUNITY DEVELOPMENT - ADMINISTRATION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 297,143	314,143	320,536
Wages	29	0	0
Benefits	54,820	59,871	76,549
	<u>\$ 351,992</u>	<u>374,014</u>	<u>397,085</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 34,709	39,268	38,768
Maintenance and Operations	1,291	286	286
Utilities	816	0	0
Professional/Technical Svcs	5,225	7,200	7,200
Other Expenses	12,870	20,865	35,865 *1
	<u>\$ 54,911</u>	<u>67,619</u>	<u>82,119</u>

*1 Includes one-time funding of \$15,000 for installation of the stained glass City seal.

NOTES

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COMMUNITY DEVELOPMENT—PLANNING PROGRAM SUMMARY

PROGRAM MANAGER—PLANNING MANAGER

PROGRAM MISSION STATEMENT

To ensure quality development within our community by planning for and implementing long-term community land use and development objectives and by reviewing and approving projects that conform to City development regulations and are appropriate for the community.

PROGRAM FUNCTIONS

- Respond promptly to individual applications or Environmental Planning Commission/City Council-initiated General Plan and Zoning Ordinance amendments and precise plan changes.
- Provide support for the comprehensive planning efforts of citizens, City Council and the Environmental Planning Commission.
- Provide timely, professional assistance with the review of proposed subdivision applications and development applications for Development Review Committee and Zoning Administrator hearings.
- Provide zoning and planning information to the public in a timely, complete, accurate and courteous manner.
- Provide a foundation for long-range planning activities by maintaining comprehensive data bases on land use, demographics and economics.
- Interpret the Zoning Ordinance in a fair and consistent manner.
- Maintain the General Plan as the primary, long-range foundation for City planning policy decisions.
- Ensure appropriate City participation and representation in regional planning efforts.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Manage development activity while ensuring quality development that is sensitive to community goals and consistent with City standards and continue to streamline the development review process.
- Implement high-priority Housing Element actions.
- Prepare a minimum-density study for housing projects.
- Continue the review of the Toll Brothers proposal for the Mayfield site (Precise Plan, environmental review and project).
- Assist with the development of Cuesta Park Master Plan.
- Complete preparation of a high-density residential R4 zoning district.

COMMUNITY DEVELOPMENT—PLANNING PROGRAM SUMMARY

- Implement Council action on a permanent Historic Preservation Ordinance and conduct historic surveys.
- Process rezoning of 291 Evandale Avenue.
- Process rezoning of 274-300 Ferguson Drive from industrial to residential.
- Continue processing the Central Park Apartments rezoning and General Plan amendment.
- Process redevelopment of Southbay Christian Center School to housing.
- Coordinate private development from design review through construction, including the following major projects:
 - Palo Alto Medical Foundation Campus.
 - Downtown parking structure.
 - El Camino Hospital.
 - Avenidas Senior Day Health-care Facility.
 - Mayfield site.
 - Whisman Station expansion.
 - Costco expansion.
 - BMW expansion.
 - Mountain View Hotel renovation and other downtown projects.
 - R Club redevelopment.
 - 505 Evelyn Avenue (152 rowhouses).
 - Charleston Road retail center.
 - 2545-2585 West Middlefield Road (76 apartments).
 - 180 Evandale Avenue (30 to 40 rowhouses).
- Support code enforcement efforts.
- Review Charleston East Precise Plan—removal of nonprofit use reference.
- Review Moffett Boulevard/Highway 101 gateway property planning.
- Process General Plan and precise plan amendments and rezoning applications.
- Continue to update and improve division handouts and application materials for the Development Services Center, including the CEQA guidelines.

COMMUNITY DEVELOPMENT—PLANNING PROGRAM SUMMARY

MAJOR PROGRAM CHANGES

- General Operating Fund:

Associate Planner Position 1.0 \$107,800

Provides funding for one Associate Planner position. *Provides additional staff to process planning workload.*

Planning Services No Net Cost

Increases contracts for planners by \$260,000 with offsetting revenue. The number of cost-recovered planning projects has increased, and the ability to hire outside contract planners is necessary to meet workload. *Maintains acceptable level of service.*

Architectural Review Services No Net Cost

Increases the budget for architectural review services contract by \$16,000 with offsetting revenue. The number of cost-recovered planning projects requiring architectural review has increased. *Maintains acceptable level of service.*

Development Review Committee: Consulting Architects \$1,800

Increases the budget for architects' contracts due to fee adjustments by architects attending the 24 scheduled DRC meetings per calendar year. This fee has not increased for five years. *Maintains desired level of service.*

- General Fund Reserve:

Development Review Committee: Architectural Review Services (one-time expenditure) \$8,000

Provides one-time funding for outside architectural services that are not cost-recovered to assist staff in evaluating site plan and design issues. This will be reviewed again for the Fiscal Year 2006-07 budget. *Maintains desired level of service.*

RG/BUD
LHP-884-03^

**COMMUNITY DEVELOPMENT - PLANNING
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>	
Planning Manager	1	1	1	
Zoning Administrator	0	0	1	*1
Principal Planner	1	1	1	
Senior Deputy Zoning Administrator	1	1	0	*1
Deputy Zoning Administrator	1	1	1	
Senior Planner	2	2	2	
Asst/ Associate Planner	2	2	3	*2
Secretary	1	1	1	
Total Permanent	9	9	10	
Total Part-Time Hourly	0	0	0	
TOTAL POSITIONS	9	9	10	

*1 Mid-year reclassification of a Senior Deputy Zoning Administrator position to Zoning Administrator.

*2 Added one Asst/ Associate Planner position.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 928,344	1,077,701	1,217,493
Supplies and Other Services	69,330	213,500	351,300
Capital Outlay	0	10,000	0
Interfund Expenditures	408	0	0
TOTAL EXPENDITURES	\$ 998,082	1,301,201	1,568,793

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Service Charges	\$ 337,044	295,250	572,510
TOTAL REVENUES	\$ 337,044	295,250	572,510

**COMMUNITY DEVELOPMENT - PLANNING
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 778,578	891,324	967,355
Wages	0	0	0
Benefits	149,766	186,377	250,138
	<u>\$ 928,344</u>	<u>1,077,701</u>	<u>1,217,493</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 1,088	7,500	7,500
Maintenance and Operations	0	0	0
Utilities	112	0	0
Professional/Technical Svcs	68,130	48,000	325,800 *2
Other Expenses	0	158,000 *1	18,000 *3
	<u>\$ 69,330</u>	<u>213,500</u>	<u>351,300</u>

*1 Includes one-time fundings of \$125,000 for consulting services and \$33,000 for design services for rowhouse guidelines.

*2 Includes increased fundings of \$260,000 for planning services contracts, \$16,000 for architectural review services contracts and \$1,800 for consulting architects attending the development review committee meetings.

*3 Includes one-time fundings of \$10,000 for historic preservation contract preparation (rebudget) and \$8,000 for architectural review services.

COMMUNITY DEVELOPMENT—ECONOMIC DEVELOPMENT PROGRAM SUMMARY

PROGRAM MANAGER—ECONOMIC DEVELOPMENT MANAGER

PROGRAM MISSION STATEMENT

To foster the City's continued economic health in order to maintain a desirable quality of life and a balanced community through a cooperative government atmosphere that helps businesses prosper and encourages businesses to become long-term partners in the community.

PROGRAM FUNCTIONS

- Manage and coordinate the Corporate Visitation Program.
- Retain existing businesses and attract new businesses throughout the City.
- Provide staff support to the Downtown Committee and subcommittees and the Visual Arts Committee.
- Help shape an economy with diverse employment choices.
- Secure revenues that support the community's quality of life.
- Foster public/private partnerships that promote community values and business success.
- Support and participate in State and regional economic development programs such as Caled, Joint Venture:Silicon Valley, Santa Clara County Manufacturing Group; continue coordination with local organizations such as the Chamber of Commerce; coordinate local economic development activities with regional programs; and maintain liaison with economic development functions in other local communities.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Continue support of the Downtown Committee and downtown initiatives, including continuation of a downtown retail recruitment and marketing strategy.
- Implement a City-wide economic development strategy/economic development plan.
- Evaluate creation of an Economic Development Task Force.
- Assist the City Manager's Office with the Moffett Federal Airfield and NASA Ames issues.
- Work with the City Manager's Office and the Public Works Department on the use of City-owned properties to assist in accomplishing community economic development goals.
- Facilitate the attraction and retention of businesses in Mountain View.
- Establish and maintain high quality working relationships with major corporations in Mountain View and continue to implement the Corporate Visit Program.

COMMUNITY DEVELOPMENT—ECONOMIC DEVELOPMENT PROGRAM SUMMARY

- Increase promotion and marketing efforts in the North Bayshore Area.
- Identify properties with potential to attract sales tax producers and use the City's land use authority to accommodate these uses.
- Assist with developing options for the Vector Control site.

MAJOR PROGRAM CHANGES

- Revitalization Authority Fund:

Contract Planner \$50,000

Provides funding for a half-time contract planner to work on downtown projects and implementation of the ordinance requiring additional review of land use changes in the Downtown Precise Plan area.

Downtown Retail Recruitment Strategy (rebudget) \$35,000

Rebudget of \$35,000 to continue the efforts of downtown retail recruitment. The downtown retail recruitment strategy began in Fiscal Year 2001-02 and was initially funded with \$50,000. An additional \$40,000 was approved in Fiscal Year 2003-04. One of the major goals of this strategy is to attract and diversify retailers in the downtown. Since Fiscal Year 2001-02, the consultant has initiated contacts and continued meeting with various downtown property and business owners, assisted with the preparation of marketing materials to promote the downtown to potential real estate brokers and retailers, and assisted with the development of a downtown broker tour. This funding would continue these efforts for Fiscal Year 2005-06.

- Shoreline Regional Park Community Fund:

Contract Planner \$50,000

Provides funding for a half-time contract planner to work on Shoreline Community projects.

Business Recruitment (one-time expenditure) \$15,000

Provides funding for real estate consultants to assist with business recruitment and retention in the North Bayshore Area. The consultants will identify and assist recruiting potential businesses to the North Bayshore Area. Part of these funds will be used to contract with an Internet service that tracks and lists available vacant space. This service would be linked to the City's web site for brokers/property managers use when seeking space available in the North Bayshore Area.

RG/BUD
LHP-884-04^

**COMMUNITY DEVELOPMENT - ECONOMIC DEVELOPMENT
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Economic Development Manager	1	1	1
Business Development Specialist	0	0	1 *1
Assistant Economic Development Manager	1	1	0 *1
Secretary	0.50	0.50	0.50
Total Permanent	2.50	2.50	2.50
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>

*1 Mid-year reclassification of an Assistant Economic Development Manager position to Business Development Specialist.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 213,384	323,293	338,230
Supplies and Other Services	237,126	346,050	366,600
Capital Outlay	0	0	0
Interfund Expenditures	755,232	719,200	108,400 *1
TOTAL EXPENDITURES	<u>\$ 1,205,742</u>	<u>1,388,543</u>	<u>813,230</u>

*1 Transfer for Housing Set-Aside moved to non-departmental account.

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Licenses & Permits	\$ 74,202	71,200	72,000
General Service Charges	157,011	158,606	158,606
Miscellaneous Revenue	49	0	0
TOTAL REVENUES	<u>\$ 231,262</u>	<u>229,806</u>	<u>230,606</u>

**COMMUNITY DEVELOPMENT - ECONOMIC DEVELOPMENT
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 173,160	262,247	268,987
Wages	0	0	0
Benefits	40,224	61,046	69,243
	<u>\$ 213,384</u>	<u>323,293</u>	<u>338,230</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 6,766	24,500	24,500
Maintenance and Operations	20,981	11,100	40,100 *2
Utilities	39,556	43,950	44,500
Professional/Technical Svcs	98,459	116,400	187,400 *2
Other Expenses	71,364	150,100 *1	70,100 *3
	<u>\$ 237,126</u>	<u>346,050</u>	<u>366,600</u>

*1 Includes one-time fundings of \$50,000 for consulting services, \$35,000 for Downtown retail recruitment strategy, \$25,000 for business recruitment and \$20,000 for the Five-Year Plan update.

*2 Moved budget of \$29,000 for janitorial services from professional services to maintenance. Also includes increased funding of \$100,000 for a contract planner.

*3 Includes one-time fundings of \$35,000 for Downtown retail recruitment strategy (rebudget) and \$15,000 for business recruitment.

COMMUNITY DEVELOPMENT—NEIGHBORHOOD PRESERVATION PROGRAM SUMMARY

PROGRAM MANAGER—ADMINISTRATIVE AND NEIGHBORHOOD SERVICES MANAGER

PROGRAM MISSION STATEMENT

To promote community participation, improve neighborhoods, facilitate the development of affordable housing and administer community programs.

PROGRAM FUNCTIONS

- Manage affordable housing programs that include the Below-Market-Rate (BMR) program, new affordable housing projects and oversight of Federally subsidized units.
- Provide staff support to the Council Neighborhoods Committee (CNC) and neighborhood programs.
- Assist the City Council in allocating CDBG/HOME funding and monitor the use of these funds in compliance with Federal regulations.
- Prepare and maintain a comprehensive plan for housing and services for low-income residents.
- Coordinate and monitor the City Volunteer Mediation Program.
- Encourage participation in the community by promoting neighborhood associations and other activities designed to increase community pride and appearance.
- Provide department administrative support in personnel recruitments, budget preparation, Council goals and performance measures.
- Provide public information on affordable housing, public services and neighborhood issues.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Implement high-priority Housing Element actions.
- Continue management of the efficiency studios project by monitoring prevailing wage and reviewing the management plan and tenant selection program.
- Complete development of an Affordable Housing Strategy.
- Continue support for the Council Neighborhoods Committee Neighborhood Grant Program and neighborhood meetings.
- Work with the Housing Authority to administer the Below-Market-Rate (BMR) program and monitor new development to ensure that the required BMR units or in-lieu payments are provided.
- Develop amendments to the BMR Guidelines based on experience implementing the program.

COMMUNITY DEVELOPMENT—NEIGHBORHOOD PRESERVATION PROGRAM SUMMARY

- Ensure that City Council-approved and CDBG/HOME-funded human service contracts and capital projects (i.e., 16 to 18 annually) are carried out in compliance with City and Federal requirements.
- Continue to implement the Neighborhood Preservation Strategy by maintaining an open dialogue with community residents and neighborhood associations about ways to improve community livability and by updating public information.
- Carry out and monitor outreach activities to inform residents about subsidized housing availability and implement the City's affirmative marketing policy.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Neighborhood Grant Program

\$5,000

Increases budget for Neighborhood Grant Program by \$5,000 as recommended by the Council Neighborhoods Committee. *Increases funding for requests by neighborhood groups.*

RG/BUD
LHP-884-06^

**COMMUNITY DEVELOPMENT - NEIGHBORHOOD PRESERVATION
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Administrative & Neighborhood Svcs Mgr	1	1	1
Senior Planner	1	1	1
Secretary	0.50	0.50	0.50
Total Permanent	2.50	2.50	2.50
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	2.50	2.50	2.50

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 297,832	312,399	328,787
Supplies and Other Services	317,160	1,183,139	1,910,209
Capital Outlay	200,000	0	0
Interfund Expenditures	0	104,000	0
TOTAL EXPENDITURES	\$ 814,992	1,599,538	2,238,996

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Federal Intergovernmental Revenue	\$ 318,058	1,314,333	1,247,817
Miscellaneous Revenue	815	50,000	50,000
TOTAL REVENUES	\$ 318,873	1,364,333	1,297,817

**COMMUNITY DEVELOPMENT - NEIGHBORHOOD PRESERVATION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 248,368	258,444	261,529
Wages	461	0	0
Benefits	49,003	53,955	67,258
	<u>\$ 297,832</u>	<u>312,399</u>	<u>328,787</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 5,439	9,200	8,788
Maintenance and Operations	0	165	65
Utilities	0	0	0
Professional/Technical Svcs	294,947	1,119,774	1,881,356
Other Expenses	16,774	54,000 *1	20,000 *2
	<u>\$ 317,160</u>	<u>1,183,139</u>	<u>1,910,209</u>

*1 Includes one-time funding of \$35,000 for the Consolidated Plan for HUD.

*2 Includes increased funding of \$5,000 for the Neighborhood Grant Program.

NOTES

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COMMUNITY DEVELOPMENT—BUILDING INSPECTION PROGRAM SUMMARY

PROGRAM MANAGER—DEPUTY COMMUNITY DEVELOPMENT DIRECTOR/BUILDING AND SAFETY

PROGRAM MISSION STATEMENT

To safeguard the health, safety and welfare of the community by enforcing applicable Building Codes, Fire Codes and ordinances and furnishing building-related technical support and service.

PROGRAM FUNCTIONS

- Maintain the efficiency of the City's plan review and permit system and building fire life safety inspection elements of the City's development review process, while integrating the requirements of City departments and other public agencies with the customer's needs.
- Create and maintain programs and procedures that provide the highest level of customer service.
- Provide clear, accurate and timely building and fire life safety related information to the City Council, developers, citizens and coworkers.
- Ensure that user fees accurately reflect the cost of building and fire inspection services.
- Ensure the welfare of the community by inspecting all buildings for compliance with all applicable codes, ordinances and laws.
- Check building and fire life safety system plans in a timely manner for conformance with appropriate codes, ordinances and laws.
- Monitor permit applicants' qualifications and insurance coverage.
- Develop and maintain productivity and professionalism for division personnel through continuous training and participation in code enforcement and professional organizations.
- Provide required reports to County, State and Federal agencies.
- Provide technical assistance on capital improvement projects.
- Provide technical and professional support for the City's code enforcement policies and efforts.

COMMUNITY DEVELOPMENT—BUILDING INSPECTION PROGRAM SUMMARY

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Manage development activity to ensure that quality developments meet City conditions and are sensitive to community quality of life issues, by continuing to monitor workload levels and the organizational development review process.
- Coordinate private development from design review through construction, including the following major projects:
 - Palo Alto Medical Foundation Campus.
 - Downtown parking structure.
 - El Camino Hospital.
 - Avenidas Senior Day Health-care Facility.
 - Senior Center facilities.
 - Efficiency studios project.
 - Mayfield site.
 - Whisman Station expansion.
 - Costco expansion.
 - BMW expansion.
 - Mountain View Hotel renovation and other downtown projects.
 - R Club redevelopment.
 - 505 Evelyn Avenue (152 rowhouses).
 - Charleston Road retail center.
 - 2545-2585 West Middlefield Road (76 apartments).
 - 180 Evandale Avenue (30 to 40 rowhouses).
- Provide support to the City's code enforcement efforts in mitigating key blighted properties and preparing them for redevelopment.
- Complete development and implementation of the E-permit Internet-based permit issuance and inspection scheduling enhancements.
- Maintain the building inspection web site as a public access system to City building and fire inspection services.
- Support regional efforts to streamline and standardize the development review and code enforcement process as part of the State's 2004 code adoption and amendment process.
- Develop enhancements and improvements in the administrative process, public information systems and customer service delivery levels in the Development Services Center to mitigate the impacts of the City's budget reduction strategy.
- Manage, develop and implement enhancements to current Building Division systems and processes to maintain correct levels of customer service, communication and delivery of services to the public and business community.
- Develop a process analysis and technology replacement strategy for the planning module to the Mountain View permit system in conjunction with the Planning Division in the Community Development Department.

**COMMUNITY DEVELOPMENT—BUILDING INSPECTION
PROGRAM SUMMARY**

MAJOR PROGRAM CHANGES

- General Operating Fund:

Building Inspection Services

No Net Cost

Increases the budget for building inspection and plan check services contracts by \$440,000, which is fully offset by development revenue. Development activity is expected to continue at current levels. *Maintains acceptable level of service.*

RG/BUD
LHP-884-07^

**COMMUNITY DEVELOPMENT - BUILDING INSPECTION
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Deputy Comm Dvlpmnt Dir/Bldg & Safety	1	1	1
Senior Building Inspector	2	2	2
Building Inspector I/II	2	2	2
Permit Technician	2	2	2
Secretary	1	1	1
Office Assistant I/II	1	1	1
Total Permanent	<u>9</u>	<u>9</u>	<u>9</u>
Total Part-Time Hourly	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL POSITIONS	<u>9</u> *1	<u>9</u> *1	<u>9</u> *1

*1 In addition, there is one Fire Protection Engineer position budgeted in the Fire Department, but located in the Building Inspection Division.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 786,501	930,921	990,197
Supplies and Other Services	592,143	437,180	877,180
Capital Outlay	0	0	0
Interfund Expenditures	8,524	11,500	11,600
TOTAL EXPENDITURES	<u>\$ 1,387,168</u>	<u>1,379,601</u>	<u>1,878,977</u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Licenses & Permits	\$ 1,578,978	1,487,637	1,647,637
General Service Charges	715,184	712,363	1,352,713
TOTAL REVENUES	<u>\$ 2,294,162</u>	<u>2,200,000</u>	<u>3,000,350</u>

**COMMUNITY DEVELOPMENT - BUILDING INSPECTION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 640,883	748,450	756,634
Wages	0	0	0
Benefits	145,618	182,471	233,563
	<u>\$ 786,501</u>	<u>930,921</u>	<u>990,197</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 20,981	22,325	22,325
Maintenance and Operations	185	2,000	2,000
Utilities	3,271	20,000	20,000
Professional/Technical Svcs	562,972	385,000	825,000 *1
Other Expenses	4,734	7,855	7,855
	<u>\$ 592,143</u>	<u>437,180</u>	<u>877,180</u>

*1 Includes increased funding of \$440,000 for building inspection services.

NOTES

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PUBLIC WORKS DEPARTMENT

The Public Works Department plans, designs, reviews, constructs, operates, maintains and improves the City's infrastructure, facilities, utilities, property and equipment and provides other services, including solid waste management, traffic engineering and private development permits.

ADMINISTRATION

Administration manages the department by providing leadership, policy development, administrative and technical support, career development and training opportunities.

TRANSPORTATION AND PROPERTY SERVICES DIVISION

The Transportation and Property Services Division consists of Transportation Management, Property Management and Solid Waste Management. Transportation also provides clerical services for the Engineering Division.

Transportation Management reviews, analyzes and evaluates City and regional transportation issues, studies, programs and policies which impact the City, developing recommendations for improvements. Transportation Management is the liaison and advocate for City positions with County, regional and State agencies involved in transportation planning and provides support to the Council Transportation Committee and the Bicycle/Pedestrian Advisory Committee. This group also coordinates and submits requests for Public Works Department grants.

Property Management manages appraisals, sales and acquisitions of City property.

Solid Waste Management develops and implements residential/commercial waste reduction and recycling programs and manages waste disposal and SMaRT Station® recycling contracts.

ENGINEERING DIVISION

The Engineering Division consists of Construction Engineering, Design Engineering, Capital Projects, Traffic Engineering and Operations.

Construction Engineering performs inspections for compliance with plans, specifications, regulations, ordinances and policies pertaining to capital projects and off-site private developments.

Design Engineering prepares or reviews engineering studies, surveys, designs, specifications and contract documents for the construction of public works projects.

Capital Projects plans, directs and coordinates the design and overall management of major capital projects and studies in the City's capital improvement program involving multiple design disciplines.

Traffic Engineering plans, designs and implements traffic operational improvements for the safe and convenient movement and circulation of vehicles, bicycles and pedestrians within the City. Traffic Engineering also maintains traffic-related records such as accidents, counts and speeds, and conducts surveys and studies necessary to analyze traffic situations.

Operations establishes development conditions for approval and reviews the accuracy and completeness of private development plans, specifications, plats, maps, property descriptions and engineering calculations submitted for City approval. Operations also assists developers, consultants, engineers and the public in complying with Public Works Department conditions.

PUBLIC WORKS DEPARTMENT (CONT.)

BUSINESS AND INTERNAL SERVICES DIVISION

The Business and Internal Services Division consists of Facilities Maintenance, Fleet Services, Administration, Safety, and Geographic and Management Information Systems.

Facilities provides safe, clean and reliable facilities for employees and their clients. The program maintains, inspects and improves buildings to comply with regulations, minimize operational and ownership costs, and maximize building life.

Fleet Services provides safe, reliable, economical, and high-quality vehicles and equipment to City departments. This program performs vehicle and equipment services to comply with regulations, minimize operational and ownership costs, and maximize safety and equipment life. Fleet Services also maintains the City's inventory of alternative fuel vehicles.

Administration provides operating and capital project budget development and financial reporting services, contract management, and energy management and alternative energy development. Administration also manages customer service programs, including graffiti abatement, shopping cart retrieval and water customer service responses. This section also provides emergency response planning for Public Works.

Safety manages the occupational safety program for the Public Works and Community Services Departments, including accident and illness prevention and coordinates workplace safety training.

Geographic and Management Information Systems provides system development and maintenance services to Public Works.

PUBLIC SERVICES DIVISION

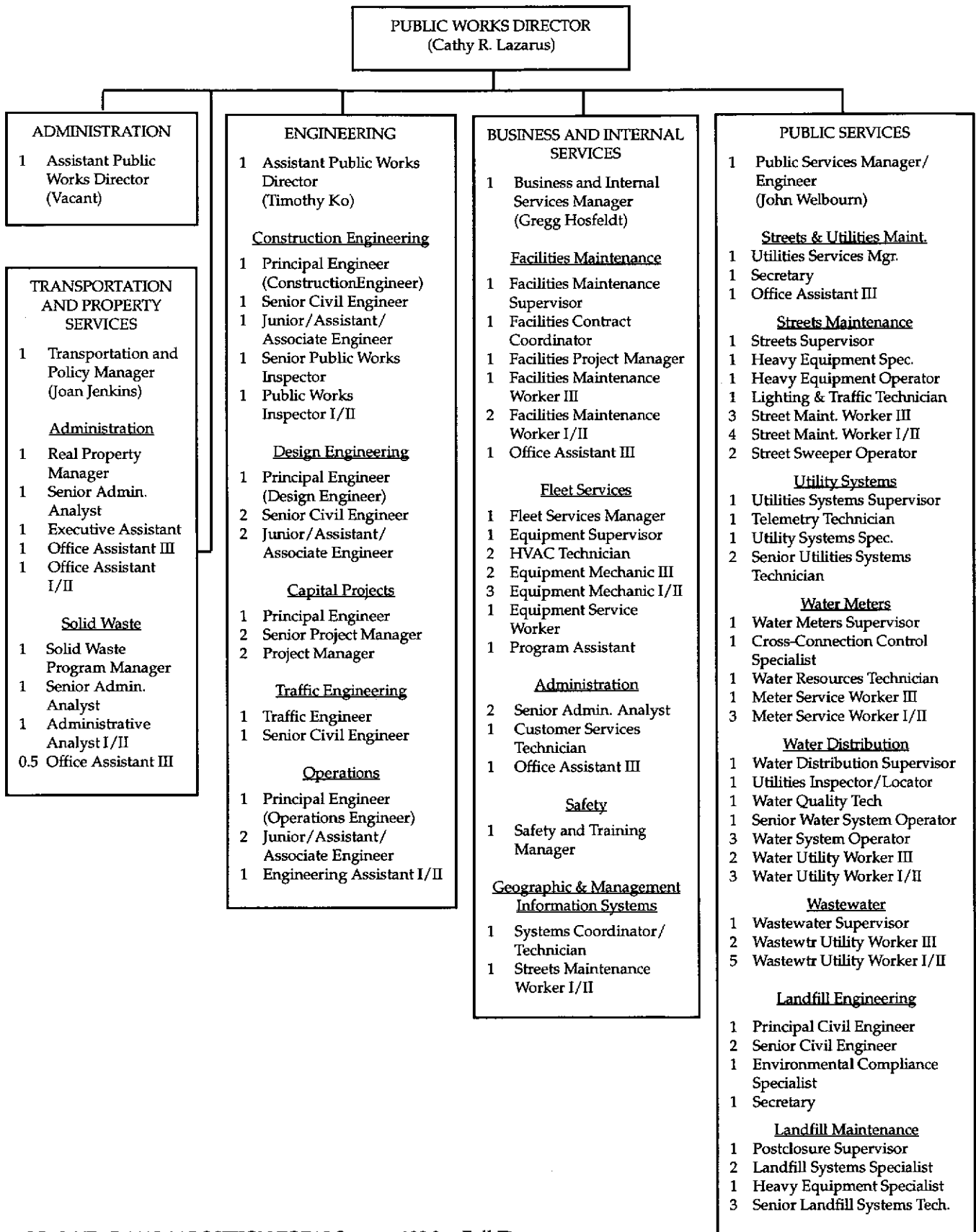
The Public Services Division consists of Street Maintenance, Utilities Maintenance and Landfill Engineering and Maintenance.

Street Maintenance maintains and repairs the City's improved and unimproved streets, sidewalks, curbs and gutters, bikeways, public parking lots and parking lots at City facilities. Street Maintenance also maintains the striping and markings on streets, curbs and public parking lots and installs, maintains and repairs City street signs and streetlights.

Utilities Maintenance manages the City's water and wastewater systems. The Water Utility Section installs, operates and maintains the equipment and facilities to distribute 12.0 million gallons of water per day to 16,000 customers in the Mountain View service area. The Wastewater Utility Section installs, operates and maintains the sanitary sewer and storm drain systems. Sanitary sewer activities include installing sewer laterals, cleanouts and connections, clearing sewer blockages, and pumping sewage to the Palo Alto Regional Water Quality Control Plant. Storm drain activities include cleaning storm lines and catch basins, maintaining City retention basins and operating pump stations.

Landfill Engineering and Maintenance is responsible for the design and permitting of all landfill postclosure systems and ensuring the regulatory guidelines for landfill maintenance and other Public Services programs are met. This program administers capital improvement and miscellaneous engineering projects and also maintains the landfill cap and operates the leachate and gas extraction systems.

PUBLIC WORKS DEPARTMENT



FISCAL YEAR 2005-06 POSITION TOTALS: 120.0 Full-Time
0.5 Permanent Part-Time

PUBLIC WORKS DEPARTMENT SUMMARY

DEPARTMENT MANAGER—PUBLIC WORKS DIRECTOR

DEPARTMENT MISSION STATEMENT

Plan, design, review, construct, operate, maintain and improve the City's infrastructure, facilities, utilities, property and equipment.

DEPARTMENT FUNCTIONS

- Represent the City's interest in local and regional public works studies and projects, and encourage the highest design and environmental quality in public and private improvements.
- Manage the acquisition, lease and disposal of City real property. (M 1)
- Meet State-mandated solid waste landfill diversion goals by maximizing commercial and residential recycling. (M 3)
- Represent the City in matters relating to, and provide for, solid waste collection and disposal. (M 4)
- Prepare the City's annual Capital Improvement Program and assist other departments with project planning and proposals.
- Implement the City's annual Capital Improvement Program. (M 5, 6, 7)
- Review, evaluate and regulate private and public development and construction in conformance with the City's General Plan, ordinances and policies. (M 8)
- Provide for safe, efficient and convenient circulation of vehicles, bicycle and pedestrian traffic within the community. (M 9, 10)
- Deliver quality responsive customer service and furnish clear, accurate and timely information to citizens, the City Council and City departments. (M 2, 11, 25, 26)
- Manage department customer service programs, including shopping cart collection and graffiti abatement. (M 13, 14)
- Manage occupational safety programs and practices in the Public Works and Community Services Departments. (M 15, 16, 17)
- Maintain and improve City buildings. (M 18, 19, 20)
- Procure and maintain the City's vehicle and equipment fleet. (M 21, 22, 23, 24)
- Meet all applicable Federal, State and local regulations and ensure employees are properly certified and trained in their job responsibilities. (M 31, 32)
- Operate, maintain and treat potable water supply. (M 27)
- Operate and maintain wastewater collection and discharge systems and the blended water supply and distribution system. (M 28)

PUBLIC WORKS DEPARTMENT SUMMARY

- Maintain 142 miles of public streets, sidewalks, parking lots and streetlight systems. (M 12, 29, 30)
- Operate and maintain the cap/leachate/gas extraction systems for the City's closed landfills.

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Manage the construction of the Graham Reservoir and field improvements in coordination with the Mountain View-Whisman School District.
- Coordinate the City's involvement with the Hetch-Hetchy water system rehabilitation.
- Work with Santa Clara County and the California Department of Transportation (Caltrans) to acquire two parcels of land at the Moffett/U.S. 101 intersection between the freeway and PG&E.
- Initiate a process to review the costs of capital improvement projects.
- Continue to work with the Santa Clara Valley Transportation Authority (VTA) on the Route 85/U.S. 101 interchange improvement construction.
- Evaluate alternative uses for the Centennial Plaza train station building.
- Design and construct a bicycle boulevard route and continue review of additional potential bicycle boulevard routes in conjunction with the Bicycle/Pedestrian Advisory Committee.
- Award construction contract for the new Senior Center in coordination with the Community Services Department.
- Continue implementing the Senior Center/Community Center Master Plan, including a new Senior Center and a senior day health-care facility.
- Complete construction and bring on-line the new Miramonte Reservoir.
- Prepare the Fiscal Year 2006-07 Capital Improvement Program.
- Complete the design for a Permanente Creek pedestrian/bike overcrossing over U.S. 101.
- Complete design and advertise for bids for the Stevens Creek Trail from Yuba Drive through El Camino Real.
- Evaluate opportunities for extending Hetch-Hetchy Trail.
- Work with Alza Corporation to coordinate the installation of a landfill gas-based electricity production system at Alza's North Bayshore sites.
- Work with the Santa Clara Valley Water District and the City of Palo Alto to continue development of the City's recycled water system.
- Develop a strategy to invest in energy conservation measures to reduce ongoing operating costs, including an evaluation of renewable energy opportunities.

PUBLIC WORKS DEPARTMENT SUMMARY

- Manage the design and environmental review process of the Shoreline Sailing Lake water supply project.
- Oversee the design of the proposed reclaimed water distribution project.

PERFORMANCE / WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
Transportation and Property Services:					
1. Percent of inquiries for the sale, lease, temporary use or purchase of City-owned land responded to within 24 hours	>95%	100%	>95%	100%	100%
2. Within 2 weeks elapsed time, return the land value of parcels submitted to the Land Development Engineer for development permits to enable the calculation of park land dedication fees	>90%	100%	>90%	100%	100%
3. Percent of refuse diverted from landfill	>50%	51%	>50%	51%	>50%
4. Percent of solid waste complaints/requests resolved to complainant's/customer's satisfaction	>95%	99%	>95%	98%	>96%
Engineering:					
5. Percent of construction projects completed with less than 10.0% time increase over the original contract award	>75%	80%	>75%	81%	>85%
6. Percent of construction projects accepted where the final cost is within 10.0% of the original contract cost (including contingencies)	>85%	100%	>85%	100%	>90%
7. Percent of completed construction projects for which inspection cost is not greater than 15.0% of the project's construction costs	>85%	100%	>85%	100%	>90%
8. Percent of time all tentative maps and private development applications are reviewed within the departmental standard review time	>85%	88%	>85%	81% ^(A)	>90%
9. Percent of reported traffic signal complaints to outside contractor investigated within 24 hours of their receipt	>90%	97%	>90%	100%	>95%

PUBLIC WORKS
DEPARTMENT SUMMARY

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
10. Percent of citizen traffic concerns processed through the Neighborhood Traffic Management Program (NTMP) within 16 weeks from the time an inquiry is received	>90%	100%	>90%	91%	>95%
11. Percent of contracts and agreements sent to contractors/consultants four working days from the date of Council approval or date "final" agreement was prepared	>95%	100%	>95%	97%	>96%
12. Pavement condition index for asphalt (Metropolitan Transportation Commission rating scale of 0-100, 70-100 being very good)	>75	77	>75	75	>75
Business and Internal Support Services:					
13. Percent of graffiti removed from public right-of-way within 3 days of report	>90%	95%	>90%	97%	>90%
14. Removal of graffiti on public right-of-way (number of assignments)	300	357	<500	510	<500
15. Number of injuries and illnesses	<15	10	<15	12	<15
16. Number of medical-only cases	<9	8	<9	9	<9
17. Number of cases where individuals lost more than 3 days of work (indemnity cases)	<6	2	<6	3	<6
18. Percent of Facilities' preventable maintenance work orders more than 30 days overdue		New for FY 2004-05	<10%	9%	<10%
19. Percent of Facilities' work orders classified as emergency or urgent repairs	<10%	2.9%	<10%	6%	<10%
20. Percent of completed Facilities' work orders requiring corrective action	<0.5%	0.3%	<5%	4%	<5%
21. Percent of Fleet's preventive maintenance completed on schedule	>95%	80% ^(B)	>95%	40% ^(C)	>80%
22. Percent of time frontline fleet units are available (Public Services and Community Services field vehicles)	>95%	80% ^(D)	>90%	96%	>90%
23. Percent of time frontline fleet units are available (Police and Fire emergency units)	>95%	90% ^(D)	>90%	92%	>90%

PUBLIC WORKS
DEPARTMENT SUMMARY

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
24. Number of road calls/emergency repair requests (Fleet)	<80	58	<80	51	<80
Public Services:					
25. Percent response time standards met for various utility customer service requests	>90%	90%	>90%	90%	>90%
26. Number of water quality complaints (taste, odor, colored water, low pressure)	<110	154 ^(B)	<110	118 ^(B)	<110
27. Number of water main breaks	<6	4	<6	7	<6
28. Number of sewer main blockages	<40	37	<40	30	<40
29. Percent of sweeping routes completed on schedule	>85%	90%	>85%	94%	>85%
30. Number of sidewalk complaints received	<50	138 ^(C)	<100	90	<100
31. Number of written emergency reports and notifications to regulatory agencies	0	0	0	2 ^(H)	0
32. Percent of regulatory repairs submitted on time	100%	100%	100%	100%	100%

^(A) Increased workload in the 4th quarter. 57 out of 70 met standard review time.

^(B) Holiday, sick, vacation and furlough reduced available staff time. A number of routine preventative maintenances were deferred until after the holidays in the second quarter. A reduction in fleet staffing during the fourth quarter (due to a vacancy) impacted turnaround time, and priority was given to Public Safety units.

^(C) Not able to keep up with preventative maintenance schedule due to staffing shortages and an aging fleet. Target revised for Fiscal Year 2005-06.

^(D) Major repairs and accident damage reduced availability. Also, a reduction in fleet staffing during the fourth quarter (due to a vacancy) impacted turnaround time, and priority was given to Public Safety units.

^(E) Maintenance was performed to the Hetch-Hetchy water system and flow was supplemented with well water. Quality complaints were mostly due to turbidity of the water and an algae bloom that occurred in the San Francisco water source.

^(F) Hetch-Hetchy experienced an algae bloom at one of the reservoir sites that took about 10 days to clear.

^(G) The Streets Section averages about 800 to 1,300 unscheduled "trip and fall" sidewalk repairs each year. Most are handled before a complaint is received. Holiday, sick and vacation time reduced staff time to respond to sidewalk issues before a complaint is received.

^(H) Two violations for air quality occurred at the landfill and have since been corrected.

GAH/BUD
LHP-761-01^

**PUBLIC WORKS
DEPARTMENT SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED	
Public Works Director	1	1	1	
Assistant Public Works Director	2	2	2	
Public Services Manager/Engineer	0	0	1	*3
Environmental Engineering Manager	1	1	0	*3
Business and Internal Services Manager	0	0	1	*4
Business Manager	1	1	0	*4
Transportation and Policy Manager	1	1	1	
Utilities Services Manager	1	1	1	
Fleet Services Manager	1	1	1	
Facilities Services Manager	1	0	0	*1
Safety and Training Manager	1	1	1	
Solid Waste Program Manager	1	1	1	
Real Property Manager	1	1	1	
Principal Civil Engineer	5	5	5	
Senior Civil Engineer	6	6	6	
Senior Project Manager	2	2	2	
Traffic Engineer	1	1	1	
Project Manager	2	2	2	
Facilities Project Manager	1	1	1	
Senior Administrative Analyst	4	4	4	
Utilities Systems Supervisor	1	1	1	
Water Meters Supervisor	1	1	1	
Water Distribution Supervisor	1	1	1	
Wastewater Supervisor	1	1	1	
Postclosure Supervisor	1	1	1	
Streets Supervisor	1	1	1	
Equipment Maintenance Supervisor	1	1	1	
Facilities Maintenance Supervisor	0	1	1	*1 *5
Facilities Contract Coordinator	0	0	1	*5
Jr/Asst/Associate Engineer (Civil)	5	5	5	
Administrative Analyst I/II	1	1	1	
Environmental Compliance Specialist	1	1	1	
Engineering Assistant I/II	2	1	1	*2
Senior Public Works Inspector	1	1	1	
Public Works Inspector I/II	1	1	1	
Utilities Inspector/Locator	1	1	1	
Water Quality Technician	1	1	1	
Water Resource Technician	0	0	1	*6
Telemetry Technician	1	1	1	
Lighting and Traffic Technician	1	1	1	
HVAC Technician	2	2	2	
Utility Systems Specialist	1	1	1	
Senior Utilities Systems Technician	2	2	2	
Subtotal Permanent	60	59	61	

**PUBLIC WORKS
DEPARTMENT SUMMARY**

<u>POSITIONS CONTINUED</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Balance Forward	60	59	61
Landfill System Specialist	2	2	2
Senior Water System Operator	1	1	1
Heavy Equipment Specialist	1	1	2 *7
Senior Landfill System Technician	3	3	3
Water System Operator	3	3	3
Heavy Equipment Operator	1	1	1
Cross-Connection Cntrl Specialist	1	1	1
Meter Service Worker III	1	1	1
Meter Service Worker I/II	4	4	3 *6
Water Utility Worker III	2	2	2
Water Utility Worker I/II	3	3	3
Wastewater Utility Worker III	2	2	2
Wastewater Utility Worker I/II	5	5	5
Streets Maintenance Worker III	3	3	3
Streets Maintenance Worker I/II	5	5	5
Facilities Maintenance III	2	2	1 *5
Facilities Maintenance I/II	2	2	2
Equipment Mechanic III	2	2	2
Equipment Mechanic I/II	4	4	3 *8
Equipment Service Worker	1	1	1
Streetsweeper Operator	2	2	2
Customer Service Technician	1	1	1
Systems Coordinator/Technician	1	1	1
Program Assistant	1	1	1
Executive Assistant	2	1 *2	1
Secretary	1	1	2 *9
Office Assistant III	6	6	4.50 *9
Office Assistant I/II	1	1	1
Total Permanent	123	121	120.50
Total Part-Time Hourly	1.12	1.12	1.12
TOTAL POSITIONS	124.12	122.12	121.62

*1 Eliminated the Facilities Manager position and added back the Facilities Maintenance Supervisor position.

*2 Eliminated one Engineering Assistant I/II position and one Executive Assistant position.

*3 Mid-year reclassification of the Environmental Engineering Manager position to Public Services Manager/Engineer.

*4 Mid-year reclassification of the Business Manager position to Business and Internal Services Manager.

*5 Mid-year reclassification of the Facilities Maintenance Supervisor position to Facilities Contract Coordinator and of a Facilities Maintenance Worker III position to Facilities Maintenance Supervisor.

*6 Mid-year reclassification of a Meter Service Worker I/II position to Water Resource Technician.

*7 Added a Heavy Equipment Specialist position.

*8 Eliminated 1.0 Equipment Mechanic I/II position.

*9 Mid-year reclassification of an Office Assistant III position to Secretary and elimination of 0.5 Office Assistant III.

**PUBLIC WORKS
DEPARTMENT SUMMARY**

<u>DEPARTMENT PROGRAMS</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Public Works Administration	\$ 679,220	612,120	633,003
Transportation and Property Services	656,252	5,574,968	6,036,711
Engineering	1,483,781	1,730,399	1,814,712
Business and Internal Services	9,091,122	5,198,252	5,313,861
Public Services	19,845,403	22,125,674	22,539,988
	<u>\$ 31,755,778</u>	<u>35,241,413</u>	<u>36,338,275</u>
<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 9,899,045	11,213,334	11,816,858
Supplies and Other Services	21,266,324	23,375,879	23,867,317
Capital Outlay	17,104	30,000	30,000
Interfund Expenditures	573,305	622,200	624,100
TOTAL EXPENDITURES	<u>\$ 31,755,778</u>	<u>35,241,413</u>	<u>36,338,275</u>
<u>FUNDING SOURCES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Operating Fund	\$ 6,384,024	6,875,927	7,113,952
General Fund Reserve	0	0	10,147
Shoreline Regional Park Community	215,057	348,180	400,287
Water	10,482,757	10,959,997	10,591,710
Wastewater	7,068,835	8,560,279	9,173,002
Solid Waste	6,118,608	6,815,536	7,359,258
Equipment Maintenance and Replacement	1,486,497	1,681,494	1,689,919
TOTAL FUNDING	<u>\$ 31,755,778</u>	<u>35,241,413</u>	<u>36,338,275</u>

**PUBLIC WORKS
DEPARTMENT SUMMARY**

REVENUE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
General Licenses & Permits	\$ 53,518	101,141	103,141
Rents & Leases	52,674	18,000	115,566
State Intergovernmental Revenue	41,728	100,000	100,000
General Service Charges	119,453	193,509	197,465
Water Service Charges	15,015,197 *1	14,927,764 *4	14,835,202 *7
Wastewater Service Charges	9,055,443 *2	9,873,650 *5	10,634,493 *8
Blended Water Charges	431,980	453,938	513,824
Refuse Service Charges	7,570,038 *3	7,211,001 *6	7,541,075 *1
Water Main Extensions	9,173	5,000	5,000
Wastewater Main Extensions	34,967	30,000	30,000
Miscellaneous Revenue	319,805	287,200	324,200
Equipment Maintenance Charges	1,640,990	1,775,000	1,783,100
Interfund Revenue Transfers	53,400	53,400	53,400
TOTAL REVENUE	\$ 34,398,366	35,029,603	36,236,466

*1 Includes rate increase of 6%.

*2 Includes rate increase of 8%.

*3 Includes rate increase of 2%.

*4 Includes rate increase of 5%.

*5 Includes rate increase of 9%.

*6 Includes rate increase of 3%.

*7 Includes no rate adjustment.

*8 Includes first year rate restructuring for total rate increase of 10%.

PUBLIC WORKS—ADMINISTRATION

PROGRAM SUMMARY

PROGRAM MANAGER—PUBLIC WORKS DIRECTOR

PROGRAM MISSION STATEMENT

Coordinate and facilitate the activities of the Public Works Department.

PROGRAM FUNCTIONS

- Represent the City's interest in local and regional public works studies and projects, and encourage the highest design and environmental quality in public and private improvements.
- Ensure customer service is given the highest priority, and monitor customer satisfaction.
- Provide leadership, administrative support, direction and job-related training for department staff.
- Establish policies and procedures to govern department functions.
- Establish department goals and objectives and track achievements.
- Encourage staff to take advantage of career development opportunities.
- Develop and recommend equitable solid waste, water and wastewater utility rates in conjunction with the Finance and Administrative Services Department.
- Develop and update long-range plans.
- Monitor regulatory requirements and provide support to meet those requirements.
- Create a positive and supportive environment for department employees.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Manage the construction of the Graham Reservoir and field improvements in coordination with the Mountain View Unified School District.
- Coordinate the City's involvement with the Hetch-Hetchy water system rehabilitation.
- Work with Santa Clara County and the California Department of Transportation (Caltrans) to acquire two parcels of land at the Moffett/U.S. 101 intersection between the freeway and PG&E.
- Initiate a process to review the costs of capital improvement projects.
- Monitor workloads to ensure appropriate allocation of resources to priority projects.
- Oversee progress of major capital improvement projects.
- Assure the FY 2006-11 Capital Improvement Program reflects City Council and community priorities.

PUBLIC WORKS—ADMINISTRATION
PROGRAM SUMMARY

- Represent the City in the Santa Clara Valley Water District Water Resources Protection Collaborative.

GAH/BUD
LHP-761-02^

**PUBLIC WORKS - ADMINISTRATION
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Public Works Director	1	1	1
Assistant Public Works Director	2	2	2
Systems Coordinator/Technician	1	0 *1	0
Executive Assistant	1	0 *2	0
Office Assistant III	1	0 *1	0
Total Permanent	<u>6</u>	<u>3</u>	<u>3</u>
Total Part-Time Hourly	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL POSITIONS	<u><u>6</u></u>	<u><u>3</u></u>	<u><u>3</u></u>

*1 Transferred the Systems Coordinator/Technician position and the Office Assistant III position to the Business and Internal Services Program.

*2 Eliminated the Executive Assistant position.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 631,775	585,190	606,073
Supplies and Other Services	41,056	26,930	26,930
Capital Outlay	0	0	0
Interfund Expenditures	6,389	0 *1	0
TOTAL EXPENDITURES	<u><u>\$ 679,220</u></u>	<u><u>612,120</u></u>	<u><u>633,003</u></u>

*1 Budget moved to the Business and Internal Services Program.

**PUBLIC WORKS - ADMINISTRATION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 527,393	494,080	491,496
Wages	0	0	0
Benefits	104,382	91,110	114,577
	<u>\$ 631,775</u>	<u>585,190</u>	<u>606,073</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 33,770	20,900	20,900
Maintenance and Operations	1,328	850	850
Utilities	3,046	345	345
Professional/Technical Svcs	0	2,500	2,500
Other Expenses	2,912	2,335	2,335
	<u>\$ 41,056</u>	<u>26,930</u>	<u>26,930</u>

*1 Budget moved to the Business and Internal Services Program.

NOTES

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PUBLIC WORKS—TRANSPORTATION AND PROPERTY SERVICES

PROGRAM SUMMARY

PROGRAM MANAGER—TRANSPORTATION POLICY MANAGER

PROGRAM MISSION STATEMENT

Manage transportation planning initiatives, grant opportunities and the sale and management of City-owned real property; provide policy analysis; manage the City's solid waste programs; and coordinate administrative support functions.

PROGRAM FUNCTIONS

- Manage the acquisition, lease and disposal of City real property.
- Meet State-mandated solid waste landfill diversion goals by maximizing commercial and residential recycling.
- Represent the City in matters relating to, and provide for, solid waste collection and disposal.
- Manage City-owned land and other property.
- Encourage waste reduction and ensure appropriate handling and disposal of household hazardous wastes and other special wastes.
- Administer contracts for refuse collection, disposal and recycling.
- Represent the City in regional transportation issues and congestion management planning.
- Participate in the allocation of transportation funds within the County through the Valley Transportation Authority.
- Support the Council Transportation Committee and Bicycle/Pedestrian Advisory Committee.
- Perform analysis and provide information on local and regional transportation planning efforts, including congestion management programs, the Valley Transportation Plan 2030, Caltrain and Measure A/B programs.
- Pursue grant opportunities.
- Furnish administrative support to the department and help the public resolve Public Works-related inquiries.
- Manage department records retention.

PUBLIC WORKS—TRANSPORTATION AND PROPERTY SERVICES PROGRAM SUMMARY

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Coordinate the City's involvement with the Hetch-Hetchy water system rehabilitation.
- Work with Santa Clara County and the California Department of Transportation (Caltrans) to acquire two parcels of land at the Moffett/U.S. 101 intersection between the freeway and PG&E.
- Continue to work with the Santa Clara Valley Transportation Authority (VTA) on the Route 85/U.S. 101 interchange improvement construction.
- Evaluate alternative uses for the Centennial Plaza train station building.
- Design and construct a bicycle boulevard route and continue review of additional potential bicycle boulevard routes in conjunction with the Bicycle/Pedestrian Advisory Committee.
- Monitor Foothill Disposal Company's implementation of fully automated residential garbage collection (2003-07).
- Continue to evaluate strategies to leverage City-owned properties (including downtown) and to acquire other properties to accomplish City objectives.
- Continue to participate on the various VTA committees related to technical transportation and capital funding issues.
- Serve as staff liaison to the Council Transportation Committee and Bicycle/Pedestrian Advisory Committee.
- Coordinate and assist in implementation of City bicycle and pedestrian initiatives.
- Lease the 14,000 square feet of retail space in the ground floor of the California/Bryant Street parking garage by completion of construction to a grocery store, drugstore or other appropriate retailer.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Office Assistant III Position (0.5)

(\$34,000)

Eliminates one-half of an Office Assistant III position. This position supports the engineering and transportation divisions of the department located at City Hall. *Reduces the capacity of the department's clerical functions. Impacts the ability to prepare plans and specifications to prospective bidders, agenda packets for the Council Transportation Committee. Hours of front desk reception may also be affected when other support staff is not available.*

**PUBLIC WORKS—TRANSPORTATION AND PROPERTY SERVICES
PROGRAM SUMMARY**

- General Fund Reserve:

VTA Landscaping for the Recycling Center (one-time expenditure) \$10,100

Provides one-time funding to landscape the Recycling Center on Terra Bella Avenue. Funds have been received from VTA for this project, but must be appropriated to do the work. *No service level impact.*

- Solid Waste Management Fund:

Retrofit of Collection Trucks (one-time expenditure) \$164,000

The heavy-duty trucks used for refuse and recycling collection throughout California must be retrofitted by 2007 to reduce emissions of diesel particulate matter under a new regulation adopted by the California Air Resources Board. The Bay Area Air Quality Management District recently offered grant incentives encouraging agencies to exceed State regulations by retrofitting trucks with one kit that reduces both diesel particulate and NOx emissions. The City was awarded a grant of \$215,000 to partially offset the cost of retrofitting 20 collection vehicles in the Foothill Disposal fleet. The total retrofit cost per vehicle is \$18,700 and the grant pays for \$10,500, or over one-half the cost. The remaining cost is \$8,200 per vehicle for a total one-time cost of \$164,000. The grant award must be expended by January 1, 2006.

GAH/BUD
LHP-761-04^

**PUBLIC WORKS - TRANSPORTATION AND PROPERTY SERVICES
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Transportation and Policy Manager	1	1	1
Real Property Manager	1	1	1
Solid Waste Program Manager	0	1 *1	1
Senior Administrative Analyst	0.33	2 *1	2
Administrative Analyst I/II	0	1 *1	1
Executive Assistant	1	1	1
Office Assistant III	1.50	2 *1	1.50 *2
Office Assistant I/II	1	1	1
Total Permanent	5.83	10	9.50
Total Part-Time Hourly	0	0.50 *1	0.50
TOTAL POSITIONS	5.83	10.50	10

*1 Positions transferred from the Business and Internal Services Program.

*2 Eliminated 0.50 Office Assistant III position.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 489,436	1,021,078	1,035,205
Supplies and Other Services	166,816	4,552,890	5,000,506
Capital Outlay	0	0	0
Interfund Expenditures	0	1,000	1,000
TOTAL EXPENDITURES	\$ 656,252	5,574,968 *1	6,036,711

*1 Budget for Solid Waste Management section transferred from the Business and Internal Services Program.

REVENUE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Rents & Leases	\$ 52,674	18,000	115,566
State Intergovernmental Revenue	0	100,000	100,000
Refuse Service Charges	0	7,211,001 *1	7,541,075 *3
Miscellaneous Revenue	9,225	8,000	9,000
TOTAL REVENUES	\$ 61,899	7,337,001 *2	7,765,641

*1 Includes rate increase of 3%.

*2 Budget for Solid Waste Management section transferred from the Business and Internal Services Program.

*3 Includes rate increase of 6%.

**PUBLIC WORKS - TRANSPORTATION AND PROPERTY SERVICES
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 410,273	816,564	782,797
Wages	0	25,782	26,156
Benefits	79,163	178,732	226,252
	<u>\$ 489,436</u>	<u>1,021,078</u>	<u>1,035,205</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 6,764	57,005	55,005
Maintenance and Operations	500	0	0
Utilities	0	4,286,380	4,559,849
Professional/Technical Svcs	158,976	198,900	202,650
Other Expenses	576	10,605	183,002 *2
	<u>\$ 166,816</u>	<u>4,552,890 *1</u>	<u>5,000,506</u>

*1 Budget for Solid Waste Management section transferred from the Business and Internal Services Program.

*2 Includes one-time fundings of \$10,100 for the VTA landscaping for the Recycling Center and \$164,000 for retrofitting garbage collection trucks.

NOTES

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PUBLIC WORKS—ENGINEERING PROGRAM SUMMARY

PROGRAM MANAGER—ASSISTANT PUBLIC WORKS DIRECTOR—ENGINEERING

PROGRAM MISSION STATEMENT

Manage engineering design and the capital project process, including construction contract administration and inspection, traffic engineering and private development reviews.

PROGRAM FUNCTIONS

- Represent the City's interest in local and regional public works studies and projects, and encourage the highest design and environmental quality in public and private improvements.
- Prepare the City's annual Capital Improvement Program and assist other departments with project planning and proposals.
- Implement the City's annual Capital Improvement Program.
- Review, evaluate and regulate private and public development and construction in conformance with the City's General Plan, ordinances and policies.
- Provide for the safe, efficient and convenient circulation of vehicles, bicycle and pedestrian traffic within the community.
- Manage the design and construction of water, sewer, storm drainage, and roadway annual projects.
- Provide civil engineering design services, manage capital project planning and design, and manage construction contract administration services to promote efficient completion of capital improvement projects.
- Perform construction inspection of off-site private development construction projects to ensure compliance with plans, specifications, regulations, ordinances and policies.
- Furnish timely and effective delivery of engineering services to City Council, committees, citizens and other City departments.
- Improve effectiveness and on-schedule delivery of high-priority assignments by properly assigning division resources and coordinating their efforts.
- Support division personnel with effective training, development and work evaluation programs.
- Review and provide input to the construction documents sponsored by other departments.
- Provide analytical and administrative support relating to assessment districts.
- Develop and maintain the Capital Improvement Program database and prepare semiannual status reports and monthly updates on major projects.
- Maintain traffic-related records, conduct surveys and perform studies as necessary for analysis of traffic problems, and develop and implement mitigation measures when appropriate.

PUBLIC WORKS—ENGINEERING PROGRAM SUMMARY

- Manage the processing of private developments, fiber-optic projects and encroachment permits.
- Review maps and plans of proposed private developments and assist developers, consultants, engineers and the public in complying with the City's conditions of approval for private developments.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Award construction contract for the new Senior Center in coordination with the Community Services Department.
- Continue implementing the Senior Center/Community Center Master Plan, including a new Senior Center and a senior day health-care facility.
- Complete construction and bring on-line the new Miramonte Reservoir.
- Prepare the Fiscal Year 2006-07 Capital Improvement Program.
- Complete the design for a Permanente Creek pedestrian/bike overcrossing over U.S. 101.
- Complete design and advertise for bids for the Stevens Creek Trail from Yuba Drive through El Camino Real.
- Evaluate opportunities for extending Hetch-Hetchy Trail.
- Undertake other capital improvement projects, including:
 - Shoreline Boulevard reconstruction in Shoreline at Mountain View Park
 - Infrastructure maintenance/replacements
- Award construction contract for the Downtown Parking Structure No. 2 at California and Bryant Streets.
- Complete construction of the golf car/Pro Shop facility expansion.
- Undertake design of the Shoreline maintenance facility.
- Complete design and advertise for bids for the Stevens Creek Trail overcrossing at Moffett Boulevard.
- Monitor and participate in the Santa Clara Valley Water District's Permanente Creek planning study.

PUBLIC WORKS—ENGINEERING PROGRAM SUMMARY

- Provide support in the coordination of private development projects, including:
 - Mayfield site
 - Palo Alto Medical Foundation facility
 - El Camino Hospital
 - Ellis/Middlefield Area
 - Various downtown development sites
- Apply the Neighborhood Traffic Management Program in neighborhoods that request traffic control measures and monitor results.

GAH/BUD
LHP-761-05^

**PUBLIC WORKS - ENGINEERING
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Principal Civil Engineer	4	4	4
Traffic Engineer	1	1	1
Senior Civil Engineer	4	4	4
Senior Project Manager	2	2	2
Project Manager	2	2	2
Jr/Asst/Associate Engineer (Civil)	5	5	5
Engineering Assistant III	0	0	0
Engineering Assistant I/II	2	1 *1	1
Senior Public Works Inspector	1	1	1
Public Works Inspector I/II	1	1	1
Total Permanent	22	21	21
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	22	21	21

*1 Eliminated one Engineering Assistant I/II position.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 1,236,752	1,350,854	1,434,267
Supplies and Other Services	234,335	365,945	365,945
Capital Outlay	0	0	0
Interfund Expenditures	12,694	13,600	14,500
TOTAL EXPENDITURES	\$ 1,483,781	1,730,399	1,814,712

**PUBLIC WORKS - ENGINEERING
PROGRAM SUMMARY**

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Licenses & Permits	\$ 53,518	101,141	103,141
General Service Charges	117,243	190,509	194,465
Miscellaneous Revenue	3,235	3,200	3,200
TOTAL REVENUES	<u>\$ 173,996</u>	<u>294,850</u>	<u>300,806</u>

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Labor Chargeback	\$ 0 *1	(1,470,009)	(1,492,111)
Salaries	1,031,175	2,283,575	2,278,157
Wages	0	60,800	60,800
Benefits	205,577	476,488	587,421
	<u>\$ 1,236,752</u>	<u>1,350,854</u>	<u>1,434,267</u>

*1 Beginning January 2003, Labor Chargeback accounted for differently due to new payroll system.

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 9,442	18,300	18,300
Maintenance and Operations	53,290	76,065	76,065
Utilities	82,841	86,000	86,000
Professional/Technical Svcs	84,322	174,000	174,000
Other Expenses	4,440	11,580	11,580
	<u>\$ 234,335</u>	<u>365,945</u>	<u>365,945</u>

PUBLIC WORKS—BUSINESS AND INTERNAL SERVICES PROGRAM SUMMARY

PROGRAM MANAGER—BUSINESS AND INTERNAL SERVICES MANAGER

PROGRAM MISSION STATEMENT

Provide business support and financial management to the department. Manage operation of City buildings, City's vehicle and equipment fleet, customer service, department safety and information systems programs.

PROGRAM FUNCTIONS

- Deliver quality, responsive customer service and furnish clear, accurate and timely information to citizens, the City Council and City departments.
- Manage department customer service programs, including shopping cart collection and graffiti abatement.
- Manage occupational safety programs and practices in the Public Works and Community Services Departments.
- Maintain and improve City buildings.
- Procure and maintain the City's vehicle and equipment fleet.
- Manage the department budget and provide financial management for operational and capital improvement activities.
- Ensure department services are provided in a cost-effective manner.
- Manage the City's facilities maintenance effort to ensure safe and aesthetically pleasing facilities, and provide project management and contract administration services.
- Represent the operation and maintenance perspective in building design, modification and construction.
- Design and manage projects for repair and replacement of building assets, including elevators, paint, flooring and HVAC, and roof and plumbing systems.
- Monitor City energy efficiency and utility expenses.
- Manage the City's fleet preventive maintenance program to provide safe and reliable vehicles, equipment and public safety vehicles, and maximize vehicle life.
- Perform safety inspections on heavy equipment and test emissions from all gasoline- and diesel-fueled vehicles to ensure compliance with State regulatory agencies.
- Provide technical advice for the fleet replacement program.
- Identify renewable and clean alternative energy technologies for City facilities and vehicles.

PUBLIC WORKS—BUSINESS AND INTERNAL SERVICES PROGRAM SUMMARY

- Coordinate the department's emergency response planning.
- Develop and implement standard operating policies and procedures.
- Support development and maintenance of department geographic information systems and business applications.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Work with Alza Corporation to coordinate the installation of a landfill gas-based electricity production system at Alza's North Bayshore sites.
- Work with the Santa Clara Valley Water District and the City of Palo Alto to continue development of the City's recycled water system.
- Develop a strategy to invest in energy conservation measures to reduce ongoing operating costs, including an evaluation of renewable energy opportunities.
- Continue improvements to City facilities to meet the Americans with Disabilities Act (ADA) guidelines as outlined in the ADA Compliance Strategic Plan.
- Coordinate with customer departments to improve fleet management and reduce operating expenses.
- Perform HVAC system preventative maintenance and repair, and recommend HVAC system replacements, enhancements and retrofits.
- Reduce operational and workplace hazards by ensuring scheduled field and facility safety surveys are completed and corrective measures are implemented.
- Continue to work with retailers to reduce the number of abandoned shopping carts.
- Update the five-year building maintenance schedule and secure multi-year agreements for building and maintenance services.
- Review HVAC and lighting systems at major City facilities to identify projects with significant energy conservation potential.
- Update the Fleet Services Section audit to ensure preventative maintenance schedules are achieved.

**PUBLIC WORKS—BUSINESS AND INTERNAL SERVICES
PROGRAM SUMMARY**

MAJOR PROGRAM CHANGES

- General Operating Fund:

PG&E \$35,000

Increases gas and electricity budget for City buildings based on current usage and possible rate fluctuations. A Capital Improvement Project has been approved for Fiscal Year 2005-06 to help identify and implement additional energy conservation measures. *No service level impact.*

Janitorial Services \$21,000

Provides a cost-of-living adjustment as stipulated in the janitorial services contract. *Maintains current level of service.*

- Equipment Maintenance Fund:

Equipment Mechanic II Position (1.0) (\$84,000)

Eliminates one Equipment Mechanic II position. This position was budgeted in the Equipment Maintenance Internal Service Fund in which expenditures are charged to departments for services provided. *Reduces flexibility of maintenance staff to respond to emergencies and reduces preventative maintenance program at a time when scheduled vehicle replacements have been deferred for financial reasons.*

Automotive Fuel Costs \$40,000

Automotive fuel costs are budgeted in the Equipment Maintenance Internal Service Fund. This cost is spread among various departments and funds and may need to be supplemented if fuel costs continue to rise. *Maintains desired level of service.*

GAH/BUD
LHP-761-03^

**PUBLIC WORKS - BUSINESS AND INTERNAL SERVICES
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED	
Business and Internal Services Manager	0	0	1	*4
Business Manager	1	1	0	*4
Fleet Services Manager	1	1	1	
Facilities Services Manager	1	0	0	*1
Solid Waste Program Manager	1	0	0	*2
Safety and Training Manager	1	1	1	
Equipment Maintenance Supervisor	1	1	1	
Facilities Maintenance Supervisor	0	1	1	*1
Facilities Contract Coordinator	0	0	1	*5
Facilities Project Manager	1	1	1	
HVAC Technician	2	2	2	
Equipment Mechanic III	2	2	2	
Equipment Mechanic I/II	4	4	3	*6
Facilities Maintenance III	2	2	1	*5
Facilities Maintenance I/II	2	2	2	
Streets Maintenance Worker I/II	0	1	1	*3
Equipment Service Worker	1	1	1	
Senior Administrative Analyst	3.67	2	2	*2
Administrative Analyst I/II	1	0	0	*2
Customer Service Technician	1	1	1	
Systems Coordinator/Technician	0	1	1	*3
Program Assistant	1	1	1	
Office Assistant III	1.50	2	2	*3
Total Permanent	28.17	27	26	
Total Part-Time Hourly	0.62	0.12	0.12	*2
TOTAL POSITIONS	28.79	27.12	26.12	

*1 Eliminated the Facilities Manager position and added back the Facilities Maintenance Supervisor position.

*2 Positions transferred to the Transportation and Property Services Program.

*3 Transferred one Streets Maintenance Worker I/II position from the Public Services Program, the System Coordinator/Technician position and one Office Assistant position from the Administration Program, and 0.50 Office Assistant position to the Transportation and Property Services Program.

*4 Mid-year reclassification of the Business Manager position to Business and Internal Services Manager.

*5 Mid-year reclassification of the Facilities Maintenance Supervisor position to Facilities Contract Coordinator and of a Facilities Maintenance Worker III position to Facilities Maintenance Supervisor.

*6 Eliminated 1.0 Equipment Mechanic I/II position.

**PUBLIC WORKS - BUSINESS AND INTERNAL SERVICES
PROGRAM SUMMARY**

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 2,508,237	2,645,812	2,666,221
Supplies and Other Services	6,526,578	2,449,240	2,546,040
Capital Outlay	0	30,000	30,000
Interfund Expenditures	56,307	73,200	71,600
TOTAL EXPENDITURES	<u>\$ 9,091,122</u>	<u>5,198,252 *1</u>	<u>5,313,861</u>

*1 Budget for Solid Waste Management Section transferred to the Transportation and Property Program.

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
State Intergovernmental Revenue	\$ 21,182	0	0
General Service Charges	2,210	3,000	3,000
Refuse Service Charges	7,570,038 *1	0	0
Miscellaneous Revenue	3,450	0	0
Equipment Maintenance Charges	1,640,990	1,775,000	1,783,100
Interfund Revenue Transfers	21,000	21,000	21,000
TOTAL REVENUES	<u>\$ 9,258,870</u>	<u>1,799,000 *2</u>	<u>1,807,100</u>

*1 Includes rate increase of 2%.

*2 Budget for Solid Waste Management Section transferred to the Transportation and Property Program.

**PUBLIC WORKS - BUSINESS AND INTERNAL SERVICES
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 1,920,010	2,100,974	2,037,351
Wages	92,336	12,720	12,833
Benefits	495,891	532,118	616,037
	<u>\$ 2,508,237</u>	<u>2,645,812</u>	<u>2,666,221</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 101,910	80,163	80,163
Maintenance and Operations	1,132,242	984,212 *1	1,045,212 *3
Utilities	5,072,994	1,028,700	1,064,500 *4
Professional/Technical Svcs	153,077	302,340	303,840
Other Expenses	66,355	53,825	52,325
	<u>\$ 6,526,578</u>	<u>2,449,240 *2</u>	<u>2,546,040</u>

*1 Includes increased funding of \$18,000 for janitorial services.

*2 Budget for Solid Waste Management Section transferred to the Transportation and Property Program.

Budget transferred from the Administration Program. Net line item budgets reallocated as appropriate.

*3 Includes increased fundings of \$21,000 for city-wide janitorial services and \$40,000 for city-wide fuel costs.

*4 Includes increased funding of \$35,000 for PG&E.

PUBLIC WORKS—PUBLIC SERVICES PROGRAM SUMMARY

PROGRAM MANAGER—PUBLIC SERVICES MANAGER/ENGINEER

PROGRAM MISSION STATEMENT

Manage, operate and maintain facilities and infrastructure for water distribution, water reclamation, sewer and storm water collection and treatment, and repair and maintain roadways and sidewalks. Maintain and operate the landfill cap and gas collection system, and provide engineering and environmental compliance services to the department.

PROGRAM FUNCTIONS

- Meet all applicable Federal, State and local regulations and ensure employees are properly certified and trained in their job responsibilities.
- Operate, maintain and treat potable water supply.
- Operate and maintain wastewater collection and discharge systems and the blended water supply and distribution system.
- Maintain 142 miles of public streets, sidewalks, parking lots and streetlight systems.
- Operate and maintain the cap/leachate/gas extraction systems for the City's closed landfills.
- Deliver an average of 12.0 million gallons of water per day to City customers that meet Federal and State water quality standards.
- Maintain, operate and/or replace water system infrastructure.
- Read water meters (approximately 16,000) in a timely and accurate manner.
- Operate and maintain the sewage pump station, retention basins and storm water removal stations.
- Collect and transfer sewage to the Palo Alto Regional Water Quality Control Plant (approximately nine million gallons per day).
- Maintain the City's 175 miles of sewer mains, 2,700 catch basins and 108 miles of storm drain pipeline.
- Provide storm patrol and cleaning of blockages during storms and make necessary repairs.
- Repair, replace and maintain City traffic signs.
- Sweep City streets on schedule and keep City right-of-way free of litter.
- Manage and maintain the landfill gas collection system, 271 wells, flare station and two microturbine electrical generation units.
- Provide engineering support and direction for the Public Services Division.

PUBLIC WORKS—PUBLIC SERVICES PROGRAM SUMMARY

- Coordinate the Public Services Division's annual CIP process, and participate in capital improvement project design and construction.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Manage the design and environmental review process of the Shoreline Sailing Lake water supply project.
- Oversee the design of the proposed reclaimed water distribution project.
- Continue implementation of Phase II of the Supervisory Control and Data Acquisition (SCADA) system, including reporting sewer flows from main trunk lines, water well operational levels and real-time data from San Francisco Public Utilities Commission (SFPUC) water connections.
- Continue implementing Phase II (final year of a five-year program) of an automated radio transmitter meter reading system for commercial water accounts.
- Begin operation and maintenance of Miramonte and Graham Reservoirs upon completion of construction.
- Televis 15 percent of the sewer and storm drain collection systems.
- Clean the entire sanitary sewer system on a six-year rotation.
- Clean the entire storm system on a 10-year rotation.
- Begin gathering location data for signs and streetlights to incorporate into the Public Works Department geographic information system, and develop preventive maintenance schedules and asset maps.
- Perform all major street maintenance functions, including crack sealing, asphalt and concrete patching, water and wastewater trench repairs, street sweeping, streetlight maintenance, leaf removal, sidewalk repair and sign/street legend painting according to the program schedule to limit reactive, unscheduled work.
- Monitor, verify and report on the modified landfill groundwater monitoring program to account for full capture of shallow groundwater under the landfill.
- Complete landfill flare station and field implementation upgrades.
- Operate and maintain the two newly installed microturbine units.
- Operate and maintain the new landfill gas supply pipeline to Alza Corporation.
- Complete the MOC covered storage, settling tank, dump pad and paving project.
- Manage the ongoing Graham Reservoir and Field project, including mass grading, tank/pump house/well installation and athletic field improvements, applying for grant funding as appropriate.
- Manage the development and implementation of a new water and sewer master plans.

PUBLIC WORKS—PUBLIC SERVICES PROGRAM SUMMARY

MAJOR PROGRAM CHANGES

- General Operating Fund:

Heavy Equipment Specialist Position 1.0

No Net Cost

Adds one Heavy Equipment Specialist position. This position was eliminated in Fiscal Year 2003-04, and the remaining Heavy Equipment Specialist's time was split between Streets and Landfill operations. This has proven to be inefficient due to the distance between work sites and delays caused by concurrent needs of both operations. This position will be split between the General Operating Fund and the Water and Wastewater Utility Enterprise Funds. The General Operating Fund's share of the new position is offset by reallocating the existing Heavy Equipment Specialist time currently charged to the General Operating Fund to the Shoreline Regional Park Community for landfill operations and by reallocating a portion of a Streets Maintenance Worker position currently budgeted in the General Operating Fund to the Water and Wastewater Utility Enterprise Funds for GIS operations. *Restores maintenance capacity to Landfill and Streets.*

- Shoreline Regional Park Community:

Heavy Equipment Specialist Position

\$45,000

Allocates 0.50 of Heavy Equipment Specialist position to concentrate on additional maintenance requirements of former landfilled areas.

- Water Fund:

Heavy Equipment Specialist Position/Public Works Department Reorganization

\$21,200

Provides for partial funding of a new Heavy Equipment Specialist position and the transfer of a portion of a Streets Maintenance Worker position from the General Operating Fund. These changes allocate time to more appropriately reflect the maintenance needs of the utilities.

- Wastewater Fund:

Heavy Equipment Specialist Position/Public Works Department Reorganization

\$23,900

Provides for partial funding of a new Heavy Equipment Specialist position and the transfer of a portion of a Streets Maintenance Worker position from the General Operating Fund. These changes allocate time to more appropriately reflect the maintenance needs of the utilities.

PUBLIC WORKS—PUBLIC SERVICES
PROGRAM SUMMARY

Contract Sewer Televised Inspection

\$139,000

Provides funding to meet new requirements regarding sanitary sewer overflow reporting and preventative maintenance procedures which became effective December 1, 2004. The regulations require the City to develop a sewer system management plan and to have the plan in place by the end of 2005.

GAH/BUD
LHP-761-06^

**PUBLIC WORKS - PUBLIC SERVICES
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED	
Public Services Manager/Engineer	0	0	1	*2
Environmental Engineering Manager	1	1	0	*2
Utilities Services Manager	1	1	1	
Principal Civil Engineer	1	1	1	
Senior Civil Engineer	2	2	2	
Water Meters Supervisor	1	1	1	
Utilities Systems Supervisor	1	1	1	
Water Distribution Supervisor	1	1	1	
Wastewater Supervisor	1	1	1	
Streets Supervisor	1	1	1	
Postclosure Supervisor	1	1	1	
Environmental Compliance Specialist	1	1	1	
Utilities Inspector/Locator	1	1	1	
Water Quality Technician	1	1	1	
Water Resources Technician	0	0	1	*3
Telemetry Technician	1	1	1	
Utility Systems Specialist	1	1	1	
Senior Utilities Systems Technician	2	2	2	
Senior Water System Operator	1	1	1	
Landfill System Specialist	2	2	2	
Water System Operator	3	3	3	
Heavy Equipment Specialist	1	1	2	*4
Heavy Equipment Operator	1	1	1	
Senior Landfill System Technician	3	3	3	
Cross-Connection Cntrl Specialist	1	1	1	
Lighting and Traffic Technician	1	1	1	
Streets Maintenance Worker III	3	3	3	
Streets Maintenance Worker I/II	5	4	4	*1
Streetsweeper Operator	2	2	2	
Meter Service Worker III	1	1	1	
Meter Service Worker I/II	4	4	3	*3
Water Utility Worker III	2	2	2	
Water Utility Worker I/II	3	3	3	
Wastewater Utility Worker III	2	2	2	
Wastewater Utility Worker I/II	5	5	5	
Secretary	1	1	2	*5
Office Assistant III	2	2	1	*5
Total Permanent	61	60	61	
Total Part-Time Hourly	0.50	0.50	0.50	
TOTAL POSITIONS	61.50	60.50	61.50	

Notes on next page

**PUBLIC WORKS - PUBLIC SERVICES
PROGRAM SUMMARY**

Notes for Position changes:

- *1 Transferred one Streets Maintenance Worker I/II position to the Business and Internal Services Program.
- *2 Mid-year reclassification of the Environmental Engineering Manager position to Public Services Manager/Engineer.
- *3 Mid-year reclassification of a Meter Service Worker I/II position to Water Resource Technician.
- *4 Added a Heavy Equipment Specialist position.
- *5 Mid-year reclassification of an Office Assistant III position to Secretary.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 5,032,845	5,610,400	6,075,092
Supplies and Other Services	14,297,539	15,980,874	15,927,896
Capital Outlay	17,104	0	0
Interfund Expenditures	497,915	534,400	537,000
TOTAL EXPENDITURES	\$ 19,845,403	22,125,674	22,539,988

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
State Intergovernmental Revenue	\$ 20,546	0	0
Water Service Charges	15,015,197 *1	14,927,764 *3	14,835,202 *5
Wastewater Service Charges	9,055,443 *2	9,873,650 *4	10,634,493 *6
Blended Water Charges	431,980	453,938	513,824
Water Main Extensions	9,173	5,000	5,000
Wastewater Main Extensions	34,967	30,000	30,000
Miscellaneous Revenue	303,895	276,000	312,000
Interfund Revenue Transfers	32,400	32,400	32,400
TOTAL REVENUES	\$ 24,903,601	25,598,752	26,362,919

*1 Includes rate increase of 6%.

*2 Includes rate increase of 8%.

*3 Includes rate increase of 5%.

*4 Includes rate increase of 9%.

*5 Includes no rate adjustment.

*6 Includes first year of rate restructuring for a rate increase of 10% .

**PUBLIC WORKS - PUBLIC SERVICES
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 4,033,114	4,486,733	4,668,848
Wages	48,499	18,700	18,979
Benefits	951,232	1,104,967	1,387,265
	<u>\$ 5,032,845</u>	<u>5,610,400</u>	<u>6,075,092</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 469,693	631,877	630,877
Maintenance and Operations	40,225	76,750	73,750
Utilities	13,099,462	14,389,084	14,205,106
Professional/Technical Svcs	452,379	629,050	791,050 *1
Other Expenses	235,780	254,113	227,113 *2
	<u>\$ 14,297,539</u>	<u>15,980,874</u>	<u>15,927,896</u>

*1 Includes increased funding of \$139,000 for contract sewer televised inspection.

*2 Includes transfer of \$30,000 to personnel budget to perform services in-house.

COMMUNITY SERVICES DEPARTMENT

The Community Services Department is responsible for delivery of recreation programs and services and for the maintenance of City-owned parks, roadway landscaping and street trees. In addition, the department is responsible for the continued development and operation of commercial and recreational activities at the City's 650-acre Shoreline at Mountain View regional park, for the programming and operation of the Mountain View Center for the Performing Arts, and for the maintenance and operation of Shoreline Golf Links.

ADMINISTRATION

Administration is responsible for the management of the Community Services Department.

PERFORMING ARTS DIVISION

Performing Arts is responsible for the management and operation of the Mountain View Center for the Performing Arts—a three-theater performing arts complex owned by the City. The Center and its staff service an active schedule of performances with a balanced mix of community and regional artists. The Center provides a well-maintained and equipped facility; technical service support; computerized ticket sales operation; marketing and publication support; house and concession management; and a volunteer usher corps for all performances.

SHORELINE DIVISION

The Shoreline Division is responsible for operations, protection and enhancement of environment areas within Shoreline at Mountain View; rental and operations of the historic Rengstorff House; regulatory permits relating to open space and marsh restoration; management of commercial leases within Shoreline at Mountain View; and oversight of City-wide Park Ranger Program.

SHORELINE GOLF LINKS DIVISION

Shoreline Golf Links is the City's 18-hole golf course, open for group and individual play 364 days a year.

The Shoreline Golf Links Division is responsible for the operation and maintenance of the course, booking reservations and starting times; collecting and accounting for all fees charged at the course; renting and servicing golf cars; retail sales; operating and maintaining the practice range; and maintaining the golf course (irrigation, mowing, fertilizing, aerating and associated cultural practices).

FORESTRY AND ROADWAY LANDSCAPE DIVISION

The Forestry and Roadway Landscape Division is responsible for maintaining the landscape on roadways, medians, overpasses and all nonpark City-owned lands; managing the Urban Forestry Program, which includes maintenance of the City street trees (including those in parks); and enforcement of the City's Heritage Tree Ordinance. Division personnel are also responsible for maintenance of 120.3 acres of roadway landscape and 33,000 trees. In addition to these responsibilities, division personnel maintain 12 acres in the downtown area consisting of Castro Street and the Civic Center and administers an Integrated Pest Management Program.

PARKS DIVISION

The Parks Division is responsible for protecting and maintaining the City's landscape investment at 32 urban parks (191.3 acres) and 4.0 miles of pedestrian trail along Stevens Creek, 655 acres of Shoreline park, 98 acres of other regional open space and supporting community recreational open space needs.

RECREATION DIVISION

Recreation provides an opportunity for community members to meet a portion of their recreation and social needs, introduce and develop leisure skills, promote healthy lifestyles, and stimulate community involvement and pride.

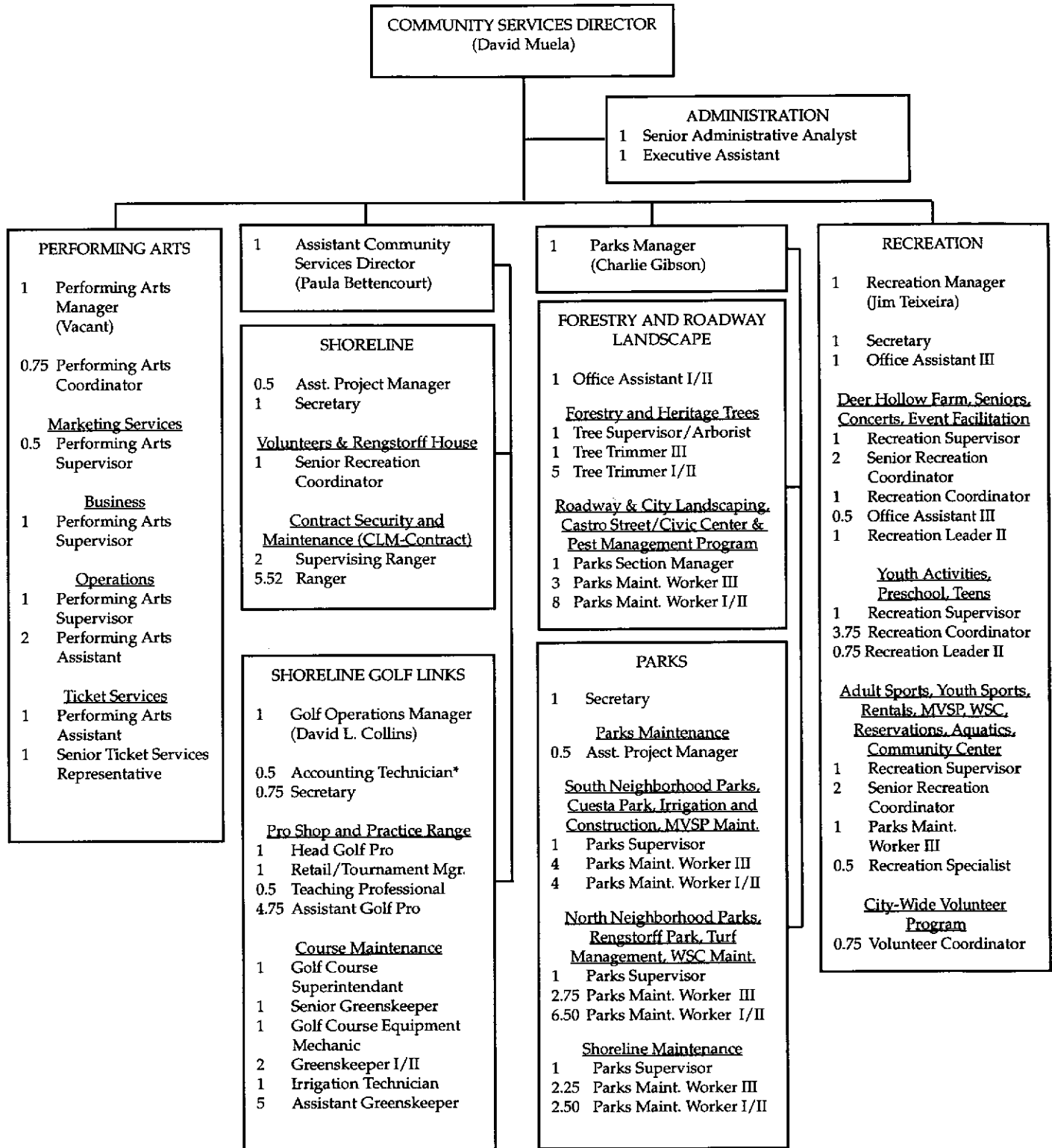
Activities, classes and events are held at Cuesta and Rengstorff District Parks, Crittenden and McKelvey Athletic Parks, Deer Hollow Farm, Mountain View Sports Pavilion, Whisman

COMMUNITY SERVICES DEPARTMENT (CONT.)

Sports Center, Community Center, Senior Center, Teen Center, Eagle and Rengstorff Pools, historic Adobe Building and various other park areas and school sites.

Program areas include: aquatics; adult and youth sports; seniors; cultural arts; preschool; elementary and teens; environmental education; Community Gardens, volunteers; coordination of Downtown Parade, Tree Lighting, Halloween Family Festival, yard sale and summer concerts; reservations of buildings, facilities and BBQ areas; and facilitation of special events.

COMMUNITY SERVICES DEPARTMENT



FISCAL YEAR 2005-06 POSITION TOTALS: 91.0 Full-Time
11.0 Permanent Part-Time
7.52 Contract

*Located in the Finance and Administrative Services Department but budgeted in the Community Services Department.

COMMUNITY SERVICES DEPARTMENT SUMMARY

DEPARTMENT MANAGER–COMMUNITY SERVICES DIRECTOR

DEPARTMENT MISSION STATEMENT

To provide park, recreation and cultural opportunities.

DEPARTMENT FUNCTIONS

- Assure that services provided are responsive to community needs.
- Analyze the department's services to assure they are provided in a cost-effective manner.
- Provide access to Performing Arts facilities and provide quality service for clients/licensees. (M 1, 3)
- Provide entertainment opportunities for Center for the Performing Arts patrons. (M 1, 3, 5)
- Provide education and outreach opportunities to the community. (M 7)
- Comply with various regulatory agency requirements as they relate to wetlands, wildlife and land use in the Shoreline area. (M 8)
- Provide visitors a safe and secure passive outdoor recreation experience by proper maintenance and supervision of trails, pathways, turf areas and facilities in the Shoreline and North Bayshore areas. (M 9)
- Manage and operate golf course in such a manner as to maximize operating revenues and control operating expenses. (M 11)
- Provide golfing customers an enjoyable golfing experience, including enhanced playing conditions and high levels of customer service. (M 12)
- Manage Forestry Program, including maintenance of City trees and enforcement of the Heritage Tree Ordinance. (M 13, 14, 15, 16, 17)
- Maintain all City landscaped areas, including parks, Stevens Creek Trail, medians, roadways, vacant land and public facilities. (M 18, 19, 20, 21, 22, 23, 24)
- Conduct safety inspections of all park and playground areas and equipment. (M 25, 26)
- Provide or facilitate scheduling of youth and adult recreation activities, classes, events and facility rental based on community preferences at the Community Center, Teen Center, Mountain View Sports Pavilion, Whisman Sports Center, historic Adobe Building as well as various park areas and school sites. (M 27, 28, 29, 30, 31, 32, 33, 34, 35)
- Provide environmental education classes and camps at Deer Hollow Farm. (M 36, 37)
- Provide a comprehensive aquatics program using Eagle and Rengstorff Pools. (M 38, 39)

COMMUNITY SERVICES DEPARTMENT SUMMARY

- Coordinate City-wide volunteer program and establish effective partnerships with community-based organizations. (M 10, 40)

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Continue efforts to locate and acquire open space in neighborhoods underserved in regard to park and recreation facilities.
- Prepare a Recreation Strategic Plan in conjunction with the Parks and Recreation Commission.
- Assist with the Stevens Creek Trail, Reach 4, Segment 2 (Yuba Drive through El Camino Real) project in conjunction with the Public Works Department.
- Assist with the design and construction of the Shoreline Maintenance Facility in conjunction with the Public Works Department.
- Assist with the construction of the Shoreline Golf Links Pro Shop and cart storage facility in conjunction with the Public Works Department.
- Assist with the construction of the Graham School site reservoir and athletic field in conjunction with the Public Works Department.
- Assist with the design and construction of Devonshire Park in conjunction with the Public Works Department.
- Explore the potential development of new athletic fields at Whisman School/Park, Shoreline at Mountain View six-acre site and Conference Center/Kite Lot.
- Assist with the construction of the new Senior Center project in conjunction with the Public Works Department.

PERFORMANCE/WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
Performing Arts:					
1. Percentage of all patron surveys received indicating that the respondent enjoyed their time at the Center	>80%	98%	>70%	98%	>70%
2. Number of performances	380	363	>330	334	Discontinued (See M3)
3. Percentage of available performances and rehearsals booked				New for FY 2005-06	>85%
4. Number of seats sold (including TheatreWorks performances of Lucie Stern facility events) ^(A)	140,000	170,220	>120,000	153,341	Discontinued (See M5)

COMMUNITY SERVICES DEPARTMENT SUMMARY

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
5. Percentage of available tickets issued (including TheatreWorks performances of Lucie Stern facility events) ^(A)				New for FY 2005-06	>75%
6. Number of volunteer hours	10,500	11,261	10,500	9,941	Discontinued (See M7)
7. Percentage of volunteer positions filled				New for FY 2005-06	100%
Shoreline:					
8. Percentage of annual regulatory permits and reports completed on time	100%	100%	100%	100%	100%
9. Percentage of trail and park users rating satisfaction above average (maintenance of trails, safety, etc.)	>90%	100%	>90%	100%	>90%
10. Volunteer time staffing equivalent	3.0 FTE	2.0 FTE ^(B)	2.5 FTE	1.65 FTE ^(B)	2.5 FTE
Shoreline Golf Links:					
11. Percentage of revenues generated versus operating costs ^(C)	>100%	126%	>100%	128%	>100%
12. Number of golf rounds played	75,000	73,850	75,000	66,316	68,000
Forestry:					
13. Percent of trees serviced versus scheduled as part of cyclic pruning program	>75%	82%	>75%	82%	>75%
14. Average cost of trimming per tree (based on industry standards)	\$128	\$105	\$128	\$120	\$128
15. Percent of trees planted in the prior year receiving maintenance	>95%	98%	>95%	98%	>95%
16. Number of trees planted annually	250	279	250	313 ^(D)	250
17. Number of trees trimmed or serviced annually	3,600	3,998 ^(E)	3,600	3,798	3,600
18. Percent of roadway median islands serviced per program service standards (based on NRPA standards)	>95%	85% ^(F)	>95%	87% ^(F)	>95%
19. Percent of inquiries responded to within 24 hours	>95%	97%	>95%	98%	>95%
20. Acres maintained—roadway medians	119.5	119.5	119.5	120.3 ^(G)	120.3
Parks:					
21. Percent of park construction and irrigation work orders completed in compliance with National Recreation and Park Association (NRPA) Mode II maintenance standards (high level maintenance)	>90%	98%	>90%	89.5%	>90%

**COMMUNITY SERVICES
DEPARTMENT SUMMARY**

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
22. Percent of park turf acres maintained in compliance with NRPA Mode II maintenance standards (high level maintenance) ^(H)	100%	95.5% ^(H)	100%	97.5%	100%
23. Acres maintained—regional parks/public facilities (includes all portions of Shoreline Regional Park, Charleston Slough, Vista Slope and the Crittenden site)	772	772	772	772	772
24. Acres maintained—urban parks/public facilities	183.81	191.3 ^(H)	191.3	191.3	191.3
25. Percent of playground equipment in compliance with California SB 2733 and the Americans with Disabilities Act Accessibility Guidelines (ADAAG)	>45%	45%	>45%	71%	>71%
26. Percent of inspections completed biannually of all City-maintained park play equipment	100%	100%	100%	100%	100%
Recreation:					
27. Percent of classes cancelled due to lack of registrants compared to the number of classes offered	<10%	5.7%	<10%	3.9%	<10%
28. Percent of class refunds requested due to dissatisfaction compared to the number of individuals participating in classes	<1%	0.36%	<1%	0.3%	<1%
29. Percent of adult sports teams registered compared to number of openings	>98%	90% ^(K)	>98%	76% ^(K)	>98%
30. Percent of partial or full fee waiver registrations compared to total registrations	10%	24.3% ^(L)	25%	25.2%	25%
31. Average number of students participating in after-school programs (per day)	192	214	192	212 ^(M)	192
32. Average number of Teen Center attendees per night open (capacity of 30)		New for FY 2004-05	>20	16.4	>20
33. Percent of weekend BBQ group reservations (May to October) compared to space available	>90%	67% ^(N)	>90%	81% ^(O)	>90%
34. Percent of time the athletic fields are reserved as compared to peak availability ^(P)	>90%	89%	>90%	87% ^(Q)	>90%
35. Number of approved general use permits and estimated people served	60/ 7,000	49 ^(R) / 7,569	60/ 7,000	49 ^(R) / 4,200	40/ 4,000

**COMMUNITY SERVICES
DEPARTMENT SUMMARY**

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
36. Number of classes/students participating in Deer Hollow Farm school year field trips	150/ 3,400	205 ^(S) / 4,295	175/ 3,600	192/ 3,831	175/ 3,600
37. Percent of teacher evaluations rating Deer Hollow Farm school year field trips good or excellent	>99%	100%	>99%	100%	>99%
38. Percent of parents rating swim lessons good or excellent	>90%	96%	>90%	92%	>90%
39. Percent of lap swim participants rating the program good or excellent	>95%	95%	>95%	94%	>95%
40. Volunteer time staffing equivalent (City-wide)	18 FTE	14.7 FTE ^(T)	18 FTE	16.8 FTE	18 FTE

-
- (A) The Center's box office is the only box office where tickets for TheatreWorks' Lucie Stern performances can be purchased.
- (B) Shoreline is experiencing a decline in volunteers as well as difficulty in recruiting and managing volunteers due to a vacancy.
- (C) Calculation does not include overhead costs.
- (D) Number of plantings varies annually due to environmental conditions, health of trees, storm losses, etc.
- (E) A new database system provides a more accurate accounting of trimming and servicing activities. As more data is obtained over a longer period of time, the target may need to be adjusted.
- (F) Crew has been assisting downtown due to loss of seasonal workers. This extends median trim cycles.
- (G) Includes additional landscape areas for Evelyn Avenue Improvements, Phase II and Phase III.
- (H) Mowings may exceed or fall below standard in any quarter due to weather conditions.
- (I) Less acres mowed on average due to weather conditions.
- (J) Graham Athletic Field added.
- (K) Competitive men's only softball leagues continue to have low enrollment. Alternative league options continue to be explored to replace this league.
- (L) Fee waiver use has increased significantly due to program changes for qualifying recreation fee waivers. The target for FY 2004-05 reflects the program changes.
- (M) Includes two new All Stars sites as of March 14, 2005. Castro All Stars was closed due to renovation during the month of March.
- (N) Infrequent weekly reservations during the month of May contributed to the low percentage of group BBQ use.
- (O) Experienced lower activity due to unpredictability of weather.
- (P) Peak availability is 5:00 p.m. through one-half hour after sunset or 10:00 p.m. for lighted facilities on Monday through Friday and 8:00 a.m. to 5:00 p.m. on Saturday and Sunday.
- (Q) Graham School is closed during construction.
- (R) Target for general use permits issued set too high and will be adjusted for Fiscal Year 2005-06.
- (S) More classes have been added due to the reduction in school class size. The target will be adjusted for Fiscal Year 2005-06.
- (T) Drop in volunteers due to economy (moving out of area), aging population of volunteers and discontinuation of programs such as Graffiti Busters.

LT/BUD
LHP-244-01^

**COMMUNITY SERVICES
DEPARTMENT SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Community Services Director	1	1	1
Assistant Community Services Director	1	1	1
Performing Arts Manager	1	1	1
Parks Manager	1	1	1
Recreation Manager	1	1	1
Golf Course Operations Manager	1	1	1
Performing Arts Supervisor	2.50	2.50	2.50
Parks Section Manager	0	0	1 *2
Tree Supervisor/Arborist	1	1	1
Parks Supervisor	4	4	3 *2
Golf Course Superintendent	1	1	1
Assistant Golf Course Superintendent	1	0 *1	0
Assistant Project Manager	1	1	1
Head Golf Professional	1	1	1
Performing Arts Coordinator	1	1	0.75 *3
Recreation Supervisor	3	3	3
Senior Recreation Coordinator	5	5	5
Volunteer Coordinator	0.75	0.75	0.75
Recreation Coordinator	4.50	4.50	4.75 *4
Retail/Tournament Manager	1	1	1
Tree Trimmer III	1	1	1
Tree Trimmer I/II	5	5	5
Parks Maintenance Worker III	13	13	13
Parks Maintenance Worker I/II	21	21	21
Senior Greenskeeper	1	1	1
Golf Course Equipment Mechanic	1	1	1
Greenskeeper I/II	2	2	2
Irrigation Technician	1	1	1
Teaching Professional	0.50	0.50	0.50
Assistant Golf Professional	5.50	5.50	4.75 *5
Assistant Greenskeeper	5	5	5
Senior Administrative Analyst	1	1	1
Accounting Technician	0.50	0.50	0.50
Executive Assistant	1	1	1
Secretary	3.75	3.75	3.75
Office Assistant III	1.50	1.50	1.50
Office Assistant I/II	1	1	1
Performing Arts Assistant	3	3	3
Subtotal Permanent	<u>100.50</u>	<u>99.50</u>	<u>98.75</u>

**COMMUNITY SERVICES
DEPARTMENT SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Balance Farward	100.50	99.50	98.75
Recreation Specialist	0.50	0.50	0.50
Senior Stagehand	0.75	0 *1	0
Senior Ticket Service Representative	1	1	1
Recreation Leader II	1.75	1.75	1.75
Total Permanent	104.50	102.75	102
Total Part-Time Hourly	40.79	40.52 *1	41.74 *4
TOTAL POSITIONS	145.29	143.27	143.74

*1 Eliminated the Assistant Golf Course Superintendent position, the 0.75 Senior Stagehand position and some hours.

*2 Mid-year reclassification of a Parks Supervisor position to Parks Section Manager.

*3 Eliminated 0.25 of the Performing Arts Coordinator position.

*4 Added 0.25 Recreation Coordinator position and hours.

*5 Eliminated 0.75 Assistant Golf Professional position.

DEPARTMENT PROGRAMS	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Community Services Administration	\$ 531,775	624,119	595,890
Performing Arts	995,975	1,041,745	1,023,374
Shoreline	1,436,606	1,801,639	948,336
Shoreline Golf Links	2,717,450	2,902,177	2,965,717
Forestry and Roadway Landscape	2,026,711	2,289,410	2,429,952
Parks	2,621,863	2,898,098	3,906,192
Recreation	2,516,300	3,135,186	3,382,992
	\$ 12,846,680	14,692,374	15,252,453

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 8,969,314	10,084,835	10,651,343
Supplies and Other Services	3,579,525	4,217,414	4,118,070
Capital Outlay	17,727	46,925	160,940
Interfund Expenditures	280,114	343,200	322,100
TOTAL EXPENDITURES	\$ 12,846,680	14,692,374	15,252,453

**COMMUNITY SERVICES
DEPARTMENT SUMMARY**

<u>FUNDING SOURCES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Operating Fund	\$ 8,617,624	9,828,428	10,203,464
General Fund Reserve	0	10,130	131,745
Shoreline Golf Links	2,717,453	2,902,177	2,965,717
Shoreline Regional Park Community	1,511,603	1,951,639	1,951,527
TOTAL FUNDING	<u>\$ 12,846,680</u>	<u>14,692,374</u>	<u>15,252,453</u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Rents & Leases	\$ 445,466	511,652	530,555
Local Intergovernmental Revenue	90,713	88,000	88,677
Recreation Service Charges	820,127	956,045	956,695
Golf Course Service Charges	3,431,424	3,748,615	3,346,790
General Service Charges	8,341	254,505	254,385
Miscellaneous Revenue	456,114	266,500	266,850
Interfund Revenue Transfers	311,000	511,000	161,000
TOTAL REVENUES	<u>\$ 5,563,185</u>	<u>6,336,317</u>	<u>5,604,952</u>

COMMUNITY SERVICES—ADMINISTRATION

PROGRAM SUMMARY

PROGRAM MANAGER—COMMUNITY SERVICES DIRECTOR

PROGRAM MISSION STATEMENT

To provide leadership and management to the Community Services' divisions in support of their efforts to deliver quality services to the community.

PROGRAM FUNCTIONS

- Assure that services provided are responsive to community needs.
- Analyze the department's services to assure they are provided in a cost-effective manner.
- Provide direction and support to all Community Services divisions.
- Provide support to the Parks and Recreation Commission, Heritage Tree Board and Performing Arts Advisory Committee.
- Work closely with other City departments, commissions and committees serviced by the Community Services Department.
- Perform community outreach with local service clubs, civic groups and organizations.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Continue efforts to locate and acquire open space in neighborhoods underserved in regard to park and recreation facilities.
- Prepare a Recreation Strategic Plan in conjunction with the Parks and Recreation Commission.
- Assist with the Stevens Creek Trail, Reach 4, Segment 2 (Yuba Drive through El Camino Real) project in conjunction with the Public Works Department.
- Assist with the design and construction of the Shoreline Maintenance Facility in conjunction with the Public Works Department.
- Assist with the construction of the Shoreline Golf Links Pro Shop and cart storage facility in conjunction with the Public Works Department.
- Assist with the construction of the Graham School site reservoir and athletic field in conjunction with the Public Works Department.
- Assist with the design and construction of Devonshire Park in conjunction with the Public Works Department.
- Explore the potential development of new athletic fields at Whisman School/Park, Shoreline at Mountain View six-acre site and Conference Center/Kite Lot.

COMMUNITY SERVICES—ADMINISTRATION

PROGRAM SUMMARY

- Assist with the construction of the new Senior Center project in conjunction with the Public Works Department.
- Assist with the design of Sierra Vista Park in conjunction with the Public Works Department.

LT/BUD
LHP-244-02^

**COMMUNITY SERVICES - ADMINISTRATION
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Community Services Director	1	1	1
Assistant Community Services Director	0.15	0.15	0.15
Senior Administrative Analyst	1	1	1
Executive Assistant	1	1	1
Total Permanent	<u>3.15</u>	<u>3.15</u>	<u>3.15</u>
Total Part-Time Hourly	<u>0.16</u>	<u>0</u> *1	<u>0</u>
TOTAL POSITIONS	<u><u>3.31</u></u>	<u><u>3.15</u></u>	<u><u>3.15</u></u>

*1 Eliminated hours.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 437,409	451,523	470,294
Supplies and Other Services	94,366	172,596	97,596
Capital Outlay	0	0	28,000
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	<u><u>\$ 531,775</u></u>	<u><u>624,119</u></u>	<u><u>595,890</u></u>

**COMMUNITY SERVICES - ADMINISTRATION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 366,579	378,159	377,256
Wages	303	0	0
Benefits	70,527	73,364	93,038
	<u>\$ 437,409</u>	<u>451,523</u>	<u>470,294</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 3,128	4,016	4,016
Maintenance and Operations	42	0	0
Utilities	346	2,190	2,190
Professional/Technical Svcs	82,763	81,735 *1	81,735
Other Expenses	8,087	84,655 *2	9,655
	<u>\$ 94,366</u>	<u>172,596</u>	<u>97,596</u>

*1 Includes decreased funding of \$30,000 for New Orleans by the Bay.

*2 Includes decreased funding of \$2,000 for miscellaneous reductions and one-time funding of \$75,000 for change in funding the 4th of July concert.

NOTES

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COMMUNITY SERVICES—PERFORMING ARTS PROGRAM SUMMARY

PROGRAM MANAGER—PERFORMING ARTS MANAGER

PROGRAM MISSION STATEMENT

The Mountain View Center for the Performing Arts seeks to enrich Silicon Valley audiences through enjoyment, celebration and interaction with the arts.

PROGRAM FUNCTIONS

- Provide access to Performing Arts facilities and provide quality service for clients/licensees.
- Provide entertainment opportunities for Center for the Performing Arts patrons.
- Provide education and outreach opportunities to the community.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Implement Center 2004-07 Strategic Plan Year-2 strategies.
- Replace ticketing system.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Booking Coordinator Position (.25)

(\$22,000)

Reduces the Center for the Performing Arts Booking Coordinator position to three-quarter time. *Transfers workload to other staff and limits administrative office hours.*

LT/BUD
LHP-244-03^

**COMMUNITY SERVICES - PERFORMING ARTS
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Performing Arts Manager	1	1	1
Performing Arts Supervisor	2.50	2.50	2.50
Performing Arts Coordinator	1	1	0.75 *2
Performing Arts Assistant	3	3	3
Senior Stagehand	0.75	0 *1	0
Senior Ticket Service Representative	1	1	1
Total Permanent	<u>9.25</u>	<u>8.50</u>	<u>8.25</u>
Total Part-Time Hourly	<u>1.34</u>	<u>2.01 *1</u>	<u>2.01</u>
TOTAL POSITIONS	<u>10.59</u>	<u>10.51</u>	<u>10.26</u>

*1 Eliminated the 0.75 Senior Stagehand position and added hours.

*2 Eliminated 0.25 of the Performing Arts Coordinator position.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 884,256	914,702	918,331
Supplies and Other Services	106,599	105,043	105,043
Capital Outlay	5,120	22,000	0
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	<u>\$ 995,975</u>	<u>1,041,745</u>	<u>1,023,374</u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Rents & Leases	\$ 348,268	386,652	387,555
General Service Charges	0	247,200	247,200
Miscellaneous Revenue	288,044	157,000	159,350
TOTAL REVENUES	<u>\$ 636,312</u>	<u>790,852</u>	<u>794,105</u>

**COMMUNITY SERVICES - PERFORMING ARTS
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 536,812	608,788	581,065
Wages	200,345	139,989	141,107
Benefits	147,099	165,925	196,159
	<u>\$ 884,256</u>	<u>914,702</u>	<u>918,331</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 32,555	42,111	42,111
Maintenance and Operations	13,769	15,100	15,100
Utilities	1,735	650	650
Professional/Technical Svcs	57,578	43,800 *1	43,800
Other Expenses	962	3,382	3,382
	<u>\$ 106,599</u>	<u>105,043</u>	<u>105,043</u>

*1 Includes decreased funding of \$3,500 for Preview magazine.

COMMUNITY SERVICES—SHORELINE PROGRAM SUMMARY

PROGRAM MANAGER—ASSISTANT COMMUNITY SERVICES DIRECTOR

PROGRAM MISSION STATEMENT

To provide regional open space facilities and opportunities.

PROGRAM FUNCTIONS

- Comply with various regulatory agency requirements as they relate to wetlands, wildlife and land use in the Shoreline area.
- Provide visitors a safe and secure passive outdoor recreation experience by proper maintenance and supervision of trails, pathways, roadway landscaped areas, turf areas and facilities in the Shoreline and North Bayshore areas.
- Manage a cost-effective volunteer ranger and docent program that will assist in the enforcement of Shoreline and Stevens Creek Trail rules and regulations, the education of visitors and trail users, assist with litter control and maintenance, and conduct tours of the historic Rengstorff House.
- Manage and oversee clubhouse (Michaels Restaurant) and boathouse lessees to assure that these concessions are meeting lease terms and expectation levels of the City.
- Manage and oversee park-related capital improvement projects.
- Provide oversight of golf course operations.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Assist with the design and construction of the Shoreline Maintenance Facility in conjunction with the Public Works Department.
- Assist with the construction of the Shoreline Golf Links Pro Shop and cart storage facility in conjunction with the Public Works Department.
- Renovate play structures at Rengstorff, Klein, Eagle and Thaddeus Parks as outlined in the 2000 Playground Survey and Assessment Report.
- Assist with the Shoreline Boulevard landscape project (within Shoreline park) in conjunction with the Public Works Department.
- Assist with the Bubb and Huff Parks rest room project in conjunction with the Public Works Department.
- Complete the installation of Phase I—North Bayshore landscaping—of the centrally controlled irrigation system replacement project.

COMMUNITY SERVICES—SHORELINE PROGRAM SUMMARY

MAJOR PROGRAM CHANGES

- Shoreline Regional Park Community:

Irrigation System Operations Lease

\$4,500

Provides annual funding for fees associated with Phase I of a City-wide project to centralize irrigation system operations by installing remote-control irrigation controllers in order to improve water conservation and enhance staff efficiency.

LT/BUD

LHP-244-04^

**COMMUNITY SERVICES - SHORELINE
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Assistant Community Services Director	0.85	0.85	0.85
Parks Supervisor	1	1	0 *1
Assistant Project Manager	0.50	0.50	0.50
Sr Recreation Coordinator	1	1	1
Parks Maintenance Worker III	2.25	2.25	0 *1
Parks Maintenance Worker I/II	2.50	2.50	0 *1
Secretary	1	1	1
Total Permanent	<u>9.10</u>	<u>9.10</u>	<u>3.35</u>
Total Part-Time Hourly	<u>3.84</u>	<u>3.84</u>	<u>2.31 *1</u>
TOTAL POSITIONS	<u><u>12.94</u></u>	<u><u>12.94</u></u>	<u><u>5.66</u></u>

*1 Transferred positions to the Parks Program.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 904,870	1,059,939	496,346
Supplies and Other Services	501,571	710,300	449,090
Capital Outlay	0	0	0
Interfund Expenditures	30,165	31,400	2,900
TOTAL EXPENDITURES	<u><u>\$ 1,436,606</u></u>	<u><u>1,801,639</u></u>	<u><u>948,336</u></u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Rents & Leases	\$ 97,198	125,000	143,000
Recreation Service Charges	43,687	0	650
Miscellaneous Revenue	23,208	15,000	0 *1
TOTAL REVENUES	<u><u>\$ 164,093</u></u>	<u><u>140,000</u></u>	<u><u>143,650</u></u>

*1 Transferred to the Parks Program.

**COMMUNITY SERVICES - SHORELINE
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 641,390	712,281	310,850
Wages	95,233	151,422	95,890
Benefits	168,247	196,236	89,606
	<u>\$ 904,870</u>	<u>1,059,939</u>	<u>496,346</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 57,043	90,787	28,050
Maintenance and Operations	5,970	22,700	21,600
Utilities	118,430	135,700	12,800
Professional/Technical Svcs	311,262	440,778 *1	373,535
Other Expenses	8,866	20,335	13,105 *2
	<u>\$ 501,571</u>	<u>710,300</u>	<u>449,090 *3</u>

*1 Includes increased funding of \$5,400 for landscape maintenance contract COLA.

*2 Includes increased funding of \$4,500 for irrigation system operations lease.

*3 Transferred budget to Forestry and Roadway Landscape and Parks Programs.

COMMUNITY SERVICES—SHORELINE GOLF LINKS PROGRAM SUMMARY

PROGRAM MANAGER—GOLF COURSE MANAGER

PROGRAM MISSION STATEMENT

To provide golf services.

PROGRAM FUNCTIONS

- Manage and operate golf course in such a manner as to maximize operating revenues and control operating expenses.
- Provide golfing customers an enjoyable golfing experience, including enhanced playing conditions and high levels of customer service.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Assist with the design and construction of the Shoreline Maintenance Facility in conjunction with the Public Works Department.
- Assist with the construction of the Shoreline Golf Links Pro Shop and cart storage facility in conjunction with the Public Works Department.
- Continue to provide a high level of customer services, including those associated with managing the tee sheet and starting functions, golf car rentals, retail sales, practice range operations and services, the golf lesson program, support and conduct tournament play, and the lesson and marshaling and pace of play program.
- Continue to allocate resources available for golf course maintenance to address optimum use of irrigation water and environmentally responsive turf grass maintenance in order to maintain a high standard of playability for the course.
- Assist with the design and construction of the pedestrian and golf cart bridge over Permanente Creek in conjunction with the Public Works Department.

COMMUNITY SERVICES—SHORELINE GOLF LINKS PROGRAM SUMMARY

MAJOR PROGRAM CHANGES

- Shoreline Golf Links Operations:

Assistant Golf Professional Position (.75) (\$50,000)

Eliminates .75 Assistant Golf Professional position. *Reduces level of permanent Pro Shop staff. Peak periods will be managed with hourly staff.*

Merchandise (\$45,000)

Reduces budget for purchase of merchandise for the Pro Shop. Appropriations may be increased during the fiscal year (based on an adopted Council resolution) if the level of retail sales exceeds that being estimated for the fiscal year. *Reduces level of funding for merchandise purchases associated with the decline in retail sales.*

LT/BUD

LHP-244-08^

**COMMUNITY SERVICES - SHORELINE GOLF LINKS
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Golf Course Operations Manager	1	1	1
Golf Course Superintendent	1	1	1
Assistant Golf Course Superintendent	1	0 *1	0
Head Golf Professional	1	1	1
Retail/Tournament Manager	1	1	1
Senior Greenskeeper	1	1	1
Golf Course Equipment Mechanic	1	1	1
Greenskeeper I/II	2	2	2
Irrigation Technician	1	1	1
Teaching Professional	0.50	0.50	0.50
Assistant Golf Professional	5.50	5.50	4.75 *2
Assistant Greenskeeper	5	5	5
Accounting Technician	0.50	0.50	0.50
Secretary	0.75	0.75	0.75
Total Permanent	22.25	21.25	20.50
Total Part-Time Hourly	7.80	7.50 *1	7.50
TOTAL POSITIONS	30.05	28.75	28

*1 Eliminated the Assistant Golf Course Superintendent position and some hours.

*2 Eliminated 0.75 Assistant Golf Professional position.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 1,622,602	1,786,323	1,899,231
Supplies and Other Services	1,081,275	1,107,454	1,044,886
Capital Outlay	3,450	0	10,000
Interfund Expenditures	10,123	8,400	11,600
TOTAL EXPENDITURES	\$ 2,717,450	2,902,177	2,965,717

REVENUE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Golf Course Service Charges	\$ 3,431,424	3,748,615	3,346,790
TOTAL REVENUES	\$ 3,431,424	3,748,615	3,346,790

**COMMUNITY SERVICES - SHORELINE GOLF LINKS
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 1,193,006	1,238,433	1,279,840
Wages	95,854	177,210	179,775
Benefits	333,742	370,680	439,616
	<u>\$ 1,622,602</u>	<u>1,786,323</u>	<u>1,899,231</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 240,520	278,595	265,695
Maintenance and Operations	110,399	123,106	122,106
Utilities	332,587	362,618	373,550
Professional/Technical Svcs	99,811	86,050	68,050 *1
Other Expenses	297,958	257,085	215,485 *2
	<u>\$ 1,081,275</u>	<u>1,107,454</u>	<u>1,044,886</u>

*1 Includes transfer of \$17,500 to personnel budget to perform services in-house.

*2 Includes decreased funding of \$45,000 for merchandise (tied to sales).

COMMUNITY SERVICES—FORESTRY AND ROADWAY LANDSCAPE PROGRAM SUMMARY

PROGRAM MANAGER—PARKS MANAGER

PROGRAM MISSION STATEMENT

To provide forestry and roadway landscape maintenance services and related City Code enforcement.

PROGRAM FUNCTIONS

- Manage Forestry Program, including maintenance of City trees and enforcement of the Heritage Tree Ordinance.
- Maintain all City landscaped areas, including parks, Stevens Creek Trail, medians, roadways, vacant land and public facilities.
- Maintain downtown area, including Civic Center, Pioneer Park, Castro Street, Transit Center, Centennial Plaza and Adobe Building.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Assist with the development and implementation of Arbor Day 2006.
- Implement a landscape maintenance program for the Ellis Street improvements.
- Revise downtown and roadway median maintenance service plan.
- Implement Phase 2 of the Castro Street street tree replacement project.
- Complete the installation of Phase 1—North Bayshore landscaping—of the centrally controlled irrigation system replacement project.
- Complete new inventory and update database of all City-maintained trees.
- Assist with the new City parking facility project at California and Bryant Streets in conjunction with the Public Works Department.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Downtown Maintenance

(\$10,000)

Reduces budget for maintenance of downtown, but maintains the number of high-pressure washings of the sidewalks and "flex zone" areas at 15 times annually as the result of a lower contract bid price. *Maintains desired level of service and may improve the appearance of the downtown area.*

**COMMUNITY SERVICES—FORESTRY AND ROADWAY LANDSCAPE
PROGRAM SUMMARY**

New Landscape Areas

\$10,500

Provides funding to maintain new landscape areas that have been added during Fiscal Year 2004-05; 0.75 acre along Evelyn Avenue and 0.25 acre along Ellis Avenue. *Provides resources to maintain new landscape areas.*

LT/BUD
LHP-244-05^

**COMMUNITY SERVICES - FORESTRY AND ROADWAY LANDSCAPE
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>	
Parks Section Manager	0	0	1	*1
Tree Supervisor / Arborist	1	1	1	
Parks Supervisor	1	1	0	*1
Tree Trimmer III	1	1	1	
Tree Trimmer I/II	5	5	5	
Parks Maintenance Worker III	3	3	3	
Parks Maintenance Worker I/II	8	8	8	
Office Assistant I/II	1	1	1	
Total Permanent	<u>20</u>	<u>20</u>	<u>20</u>	
Total Part-Time Hourly	<u>0.56</u>	<u>0.56</u>	<u>0.56</u>	
TOTAL POSITIONS	<u>20.56</u>	<u>20.56</u>	<u>20.56</u>	

*1 Mid-year reclassification of a Parks Supervisor position to Parks Section Manager.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 1,490,115	1,681,765	1,780,882
Supplies and Other Services	428,210	481,045	493,130
Capital Outlay	0	0	37,040
Interfund Expenditures	108,386	126,600	118,900
TOTAL EXPENDITURES	<u>\$ 2,026,711</u>	<u>2,289,410</u>	<u>2,429,952</u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Local Intergovernmental Revenue	\$ 40,713	38,000	38,677
General Service Charges	2,505	2,855	2,855
Miscellaneous Revenue	5,273	500	500
Interfund Revenue Transfers	55,000	55,000	55,000
TOTAL REVENUES	<u>\$ 103,491</u>	<u>96,355</u>	<u>97,032</u>

**COMMUNITY SERVICES - FORESTRY AND ROADWAY LANDSCAPE
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 1,148,270	1,260,196	1,279,838
Wages	2,016	21,127	21,443
Benefits	339,829	400,442	479,601
	<u>\$ 1,490,115</u>	<u>1,681,765</u>	<u>1,780,882</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 37,220	39,563	44,563 *2
Maintenance and Operations	2,852	5,550	5,550
Utilities	339,229	370,300	391,600 *2
Professional/Technical Svcs	43,277	53,052	43,167 *3
Other Expenses	5,632	12,580 *1	8,250
	<u>\$ 428,210</u>	<u>481,045</u>	<u>493,130</u>

*1 Includes one-time funding of \$4,300 for reciprocating saw replacement.

*2 Includes increased funding of \$10,500 for new landscape areas and budget moved from the Shoreline Program.

*3 Includes decreased funding of \$10,000 for Downtown maintenance contract.

COMMUNITY SERVICES—PARKS PROGRAM SUMMARY

PROGRAM MANAGER—PARKS MANAGER

PROGRAM MISSION STATEMENT

To provide park and trail maintenance services for urban parks and regional parks, public facilities, pedestrian and bicycle trails and open space areas.

PROGRAM FUNCTIONS

- Conduct safety inspections of all park and playground areas and equipment.
- Maintain all City parks, public facility grounds, Shoreline Regional Park and urban trails, including the Hetch-Hetchy and Stevens Creek Trails.
- Plan and develop new parks and open space as approved by Council.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Assist with the Stevens Creek Trail, Reach 4, Segment 2 (Yuba Drive through El Camino Real) project in conjunction with the Public Works Department.
- Assist with the design and construction of the Shoreline Maintenance Facility in conjunction with the Public Works Department.
- Assist with the construction of the Graham School site reservoir and athletic field in conjunction with the Public Works Department.
- Assist with the design and construction of Devonshire Park in conjunction with the Public Works Department.
- Explore the potential development of new athletic fields at Whisman School/Park, Shoreline at Mountain View six-acre site and Conference Center/Kite Lot.
- Assist with the renovation of play structures at Rengstorff, Klein, Eagle and Thaddeus Parks as outlined in the 2000 Playground Survey and Assessment Report in conjunction with the Shoreline Division.
- Assist the Public Works Department with the design and construction of the landscaping component of the new Senior Center.

COMMUNITY SERVICES—PARKS

PROGRAM SUMMARY

MAJOR PROGRAM CHANGES

- General Operating Fund:

Contract Increase

\$2,700

Provides funding for cost-of-living increase for One Source Landscape Maintenance and California Land Management contracts. *Maintains desired level of services.*

LT/BUD

LHP-244-06^

**COMMUNITY SERVICES - PARKS
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Parks Manager	1	1	1
Parks Supervisor	2	2	3 *2
Assistant Project Manager	0.50	0.50	0.50
Parks Maintenance Worker III	6.75	6.75	9 *2
Parks Maintenance Worker I/II	10.50	10.50	13 *2
Secretary	1	1	1
Total Permanent	<u>21.75</u>	<u>21.75</u>	<u>27.50</u>
Total Part-Time Hourly	<u>3.53</u>	<u>2.87 *1</u>	<u>4.39 *2</u>
TOTAL POSITIONS	<u><u>25.28</u></u>	<u><u>24.62</u></u>	<u><u>31.89</u></u>

*1 Eliminated hours.

*2 Transferred positions from the Shoreline Program.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 1,791,017	1,999,850	2,702,340
Supplies and Other Services	706,791	725,948	1,016,352
Capital Outlay	4,177	13,300	8,400
Interfund Expenditures	119,878	159,000	179,100
TOTAL EXPENDITURES	<u><u>\$ 2,621,863</u></u>	<u><u>2,898,098</u></u>	<u><u>3,906,192</u></u>

REVENUE SUMMARY

	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Miscellaneous Revenue	\$ 59,155	0	15,000
TOTAL REVENUES	<u><u>\$ 59,155</u></u>	<u><u>0</u></u>	<u><u>15,000</u></u>

**COMMUNITY SERVICES - PARKS
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 1,312,454	1,455,326	1,876,953
Wages	94,798	107,326	166,688
Benefits	383,765	437,198	658,699
	<u>\$ 1,791,017</u>	<u>1,999,850</u>	<u>2,702,340</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 140,254	146,377	205,614
Maintenance and Operations	1,961	2,550	3,650
Utilities	430,654	441,200	583,750
Professional/Technical Srvcs	127,872	123,431	199,218 *2
Other Expenses	6,050	12,390	24,120
	<u>\$ 706,791</u>	<u>725,948 *1</u>	<u>1,016,352 *3</u>

*1 Includes increased fundings of \$28,200 for Graham School Maintenance, \$7,500 for Hetch-Hetchy Trail, and \$2,100 for contract maintenance cost of living.

*2 Includes increased funding of \$2,700 for contract increases.

*3 Transferred budget from the Shoreline Program.

COMMUNITY SERVICES —RECREATION PROGRAM SUMMARY

PROGRAM MANAGER—RECREATION MANAGER

PROGRAM MISSION STATEMENT

To provide community members recreation opportunities that develop leisure skills, promote healthy lifestyles and stimulate community involvement and pride.

PROGRAM FUNCTIONS

- Provide or facilitate scheduling of youth and adult recreation activities, classes, events and facility rental based on community preferences at the Community Center, Teen Center, Mountain View Sports Pavilion, Whisman Sports Center, historic Adobe Building as well as various park areas and school sites.
- Provide environmental education classes and camps at Deer Hollow Farm.
- Provide a comprehensive aquatics program using Eagle and Rengstorff Pools.
- Coordinate City-wide volunteer program and establish effective partnerships with community-based organizations.
- Provide recreational, educational and social programs for older adults through the Senior Center.
- Organize City special events and facilitate coordination of community special events.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Assist with the preparation of a Recreation Strategic Plan in conjunction with the Administration Division.
- Explore the potential development of new athletic fields at Whisman School/Park, Shoreline at Mountain View six-acre site and Conference Center/Kite Lot.
- Assist with the construction of the new Senior Center project in conjunction with the Public Works Department.
- Provide interim senior programs during construction of the new Senior Center.
- Develop rental and operation guidelines for the new Senior Center.
- Evaluate contract class and youth sports programs and expand opportunities as necessary.
- Increase collaboration with community-based organizations and service providers to address emerging community recreation trends and needs.
- Develop rental and operation guidelines for the Community Center, Adobe Building, Mountain View Sports Pavilion and Whisman Sports Center.

COMMUNITY SERVICES —RECREATION

PROGRAM SUMMARY

- Explore program revenue enhancement opportunities through grants, cosponsorships and cost-recovery-based classes.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Allocation of Youth Advisory Committee Placeholder

No Net Increase

Council approved placeholder funding of \$60,000 for Youth Services in the 2004-05 fiscal year budget. These funds are being used for the All Stars Program at two new sites, Monta Loma and Slater Schools. Funds are being utilized by adding 0.25 Recreation Coordinator position (\$20,000); Recreation Leader wages (\$31,000); and Miscellaneous Materials, Supplies and Training (\$9,000). *Provides youth services programs at two additional sites.*

Tween Time Wages

\$10,000

Provides funding to address increased participation in the Tween Time program. *Maintains desired level of service.*

- General Fund Reserve:

Recreation Strategic Plan (one-time expenditure)

\$25,000

Provides one-time funding for outside assistance to staff with workshops, assessments and recommendations needed to complete a Recreation Strategic Plan document. *Enables staff to provide a more thorough and cogent document in a shorter time frame. (Parks and Recreation Commission recommendation.)*

Miscellaneous (one-time expenditures)

\$13,700

Provides one-time funding to refurbish floor mats at Whisman Sports Center (\$5,200), replace old and worn-out equipment for the preschool program (\$5,000) and replace the sewing machines at the Senior Center (\$3,500). *Maintains desired level of service.*

LT/BUD
LHP-244-07^

**COMMUNITY SERVICES - RECREATION
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Recreation Manager	1	1	1
Recreation Supervisor	3	3	3
Senior Recreation Coordinator	4	4	4
Volunteer Coordinator	0.75	0.75	0.75
Recreation Coordinator	4.50	4.50	4.75 *2
Parks Maintenance Worker III	1	1	1
Secretary	1	1	1
Office Assistant III	1.50	1.50	1.50
Recreation Specialist	0.50	0.50	0.50
Recreation Leader II	1.75	1.75	1.75
Total Permanent	19	19	19.25
Total Part-Time Hourly	23.56	23.74 *1	24.97 *2
TOTAL POSITIONS	42.56	42.74	44.22

*1 Added hours.

*2 Added 0.25 Recreation Coordinator position and hours.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 1,839,045	2,190,733	2,383,919
Supplies and Other Services	660,713	915,028	911,973
Capital Outlay	4,980	11,625	77,500
Interfund Expenditures	11,562	17,800	9,600
TOTAL EXPENDITURES	\$ 2,516,300	3,135,186	3,382,992

REVENUE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Local Intergovernmental Revenue	\$ 50,000	50,000	50,000
Recreation Service Charges	776,440	956,045	956,045
General Service Charges	5,836	4,450	4,330
Miscellaneous Revenue	80,434	94,000	92,000
Interfund Revenue Transfers	256,000	456,000	106,000
TOTAL REVENUES	\$ 1,168,710	1,560,495	1,208,375

**COMMUNITY SERVICES - RECREATION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 979,820	1,199,996	1,252,486
Wages	576,412	615,485 *1	664,357 *2
Benefits	282,813	375,252	467,076
	<u>\$ 1,839,045</u>	<u>2,190,733</u>	<u>2,383,919</u>

*1 Includes increased funding of \$4,700 for building attendant and \$2,100 for Sunday lapswim lifeguard.

*2 Includes increased funding of \$10,000 for Tween Time Program wages.

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 121,375	129,958	131,788
Maintenance and Operations	27,617	31,549	33,049
Utilities	237,804	246,905	263,105
Professional/Technical Svcs	252,006	407,320 *1	407,420
Other Expenses	21,911	99,296 *2	76,611 *3
	<u>\$ 660,713</u>	<u>915,028</u>	<u>911,973 *4</u>

*1 Includes increased funding of \$100,000 for contract recreation classes.

*2 Includes increased funding of \$1,300 for tuberculosis testing costs and \$60,000 for youth services placeholder, and one-time fundings of \$3,300 for hepatitis B vaccinations and \$2,500 for a pool guard chair.

*3 Includes one-time fundings of \$25,000 for the Recreation Strategic Plan and \$13,700 for miscellaneous expenditures.

*4 Includes allocation of \$60,000 Youth Advisory Committee placeholder funding to the appropriate accounts for the All-Stars Program at Monte Loma and Slater schools.

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LIBRARY SERVICES DEPARTMENT

The Library Services Department is responsible for the administration and provision of library services. The department affirms each person's right to the information, enrichment and pleasure found in books and other forms of recorded knowledge. The highest quality in selection and organization of library resources is provided. Library resources are made easily accessible to the community. The department promotes constant improvement in services to the community by providing a nurturing environment for customers and staff conducive to innovation, creativity and leadership.

The Library Services Department is, along with most nearby public libraries, a member of the Silicon Valley Library System, a cooperative which develops regional services and solutions to meet the needs of all residents in the area.

ADMINISTRATION

Administration is responsible for the management of the Library Services Department. General administration of the Library includes facility management, public relations, personnel and acquisition of all materials.

PUBLIC SERVICES DIVISION

The Public Services Division consists of Children's Services, Teen Services, Adult and Outreach Services, Stack Management Services and Customer Services.

Children's Services provides a full range of materials, services and programs to children, parents, adults working with children, agencies and organizations serving children and educational institutions. This includes providing a carefully selected collection of materials, arranging classes to visit the Library, promoting reading and communication skills through storytelling, book talks, puppets, musical programs, reading readiness programs and preparing special reading lists.

Teen Services provides materials and services to meet the special interests and needs of teens, including a group study area, textbook collection and a collection of popular books and music CDs.

Adult and Outreach Services provides access to information relating to vocational, educational, recreational, cultural and self-improvement needs. Activities include selecting library materials and providing instruction and assistance in their use. Reference and Readers' Advisory Services provides information and materials from sources outside the Library as well as those owned. To promote awareness of available materials, both in print and electronic formats, staff provides talks on books and reading, classes on the Internet, programs on topics of interest to the community, book lists and displays. The Section cooperates with community education programs and maintains a local history collection in cooperation with the Mountain View Historical Association. Outreach Services provides materials and services to day-care centers, senior living facilities and employment sites. With the assistance of volunteers, home delivery of materials is provided each month to nonmobile residents through the Library's Special Outreach Services (SOS).

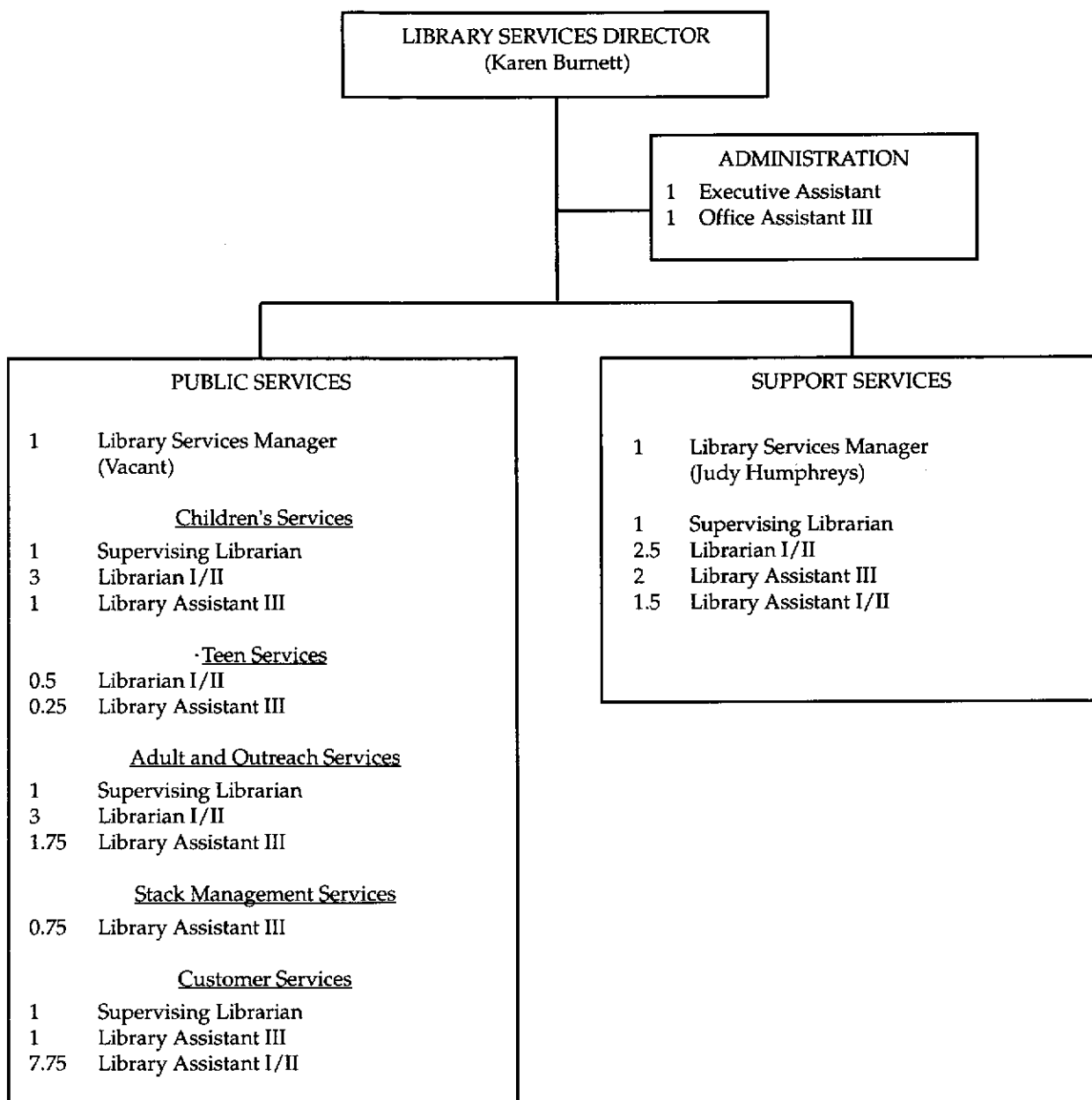
Stack Management Services provides the timely return of Library materials to the shelves and maintains the orderliness of the Library's materials collection.

Customer Services is responsible for the lending and tracking of library materials loaned to the public, registering customers, issuing Library cards, and collecting overdue fines and damage costs.

SUPPORT SERVICES DIVISION

The Support Services Division provides support and maintenance of the Library's automation and catalog systems and physical processing and maintenance of all materials in the Library's collection. Materials located outside the Library's collection are made available to the public through interlibrary loans and the Link+ service, which is a consortium of academic and public libraries. This division also oversees the management and operation of the Library's automated catalog and circulation system, personal computers, access to the Internet and the Library web page. The catalog and the resources are available from home or office computers 24 hours a day using the Internet.

LIBRARY SERVICES DEPARTMENT



FISCAL YEAR 2005-06 POSITION TOTALS: 24.0 Full-Time
10.0 Permanent Part-Time

LIBRARY SERVICES DEPARTMENT SUMMARY

DEPARTMENT MANAGER-LIBRARY SERVICES DIRECTOR

DEPARTMENT MISSION STATEMENT

The City of Mountain View Public Library is the information center for our diverse community, providing a dynamic place to share resources and ideas, to find joy in reading and to experience the power of lifelong learning.

DEPARTMENT FUNCTIONS

- Provide quality services, programs, systems and facilities to be a welcoming place that enhances the quality of community life. (M 1, 2, 3, 4)
- Offer a variety of library materials, technology and reference and readers' assistance to help customers meet their information needs. (M 1, 2, 3, 5, 6)
- Provide a quality collection of popular and enduring materials for customers to use and borrow. (M 1, 2, 3, 5, 7)

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Initiate the Circulation Services desk and workroom remodel and install a materials handling system.
- Fully implement the new mobile library service program.
- Identify ways to offer more youth services through partnerships, grants, volunteers, etc.
- Continue streamlining Support Services workflow and functions.
- Convert the Computer Center to a Computer Training Center and offer a variety of training programs for the public.

PERFORMANCE/WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
Public Services:					
1. Number of visitors and Library customers	750,000	654,586 ^(A)	700,000	782,221	750,000
2. Number of items circulated per capita	14	16.35	16	19.1	16
3. Number of items circulated per registered borrower	12	13.52	14	14	14
4. Number of children participating in children's programs	25,000	32,009	23,000	31,221	25,000

LIBRARY SERVICES DEPARTMENT SUMMARY

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
5. Number of in-Library use of books and magazines	300,000	220,592 ^(A)	225,000	200,976	175,000
6. Percent of circulation that is customer self-check	>40%	31.33% ^(C)	>50%	56.3%	>70%
7. Turnover rate:					
— Juvenile collection	4	3.75	4	3.67	4
— Media collection	15	14.71	15	19.13 ^(D)	18
— Total collection	3	3.86	3	4.41 ^(D)	4
8. Percent of customers satisfied with the availability of materials (survey)	>80%	82.5%	>80%	88%	Discontinued ^(E)
9. Percent of customers satisfied with the accessibility, friendliness and helpfulness of Library staff (survey)	>90%	92.7%	>90%	94%	Discontinued ^(E)
10. Percent of customers satisfied with the facility; the ease of use and accessibility of equipment (survey)	>90%	94.2%	>90%	93%	Discontinued ^(E)
Support Services:					
11. Percent of new items that are available for public use within 3 weeks of receipt	>80%	72% ^(F)	>80%	87.3%	Discontinued ^(E)

^(A) During the third quarter, the gate counter was turned off for several weekends so count is incomplete.

^(B) This measure's target is set high. Target adjusted for Fiscal Year 2004-05.

^(C) All three self-check units not installed until February 2004. Percent of circulation that was customer self-check for the fourth quarter only was 49 percent.

^(D) Media circulation is increasing as loan period has been reduced, therefore turnover rate is higher.

^(E) Measures are being discontinued due to inability to get meaningful measures within budget and staffing constraints.

^(F) Staffing changes affected number of days for new items to be shelved.

KP/BUD
LHP-026-01

**LIBRARY SERVICES
DEPARTMENT SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Library Services Director	1	1	1
Library Services Manager	2	2	2
Supervising Librarian	3	3	4 *2
Librarian I/II	8.25	8.25	9 *3
Supervising Library Assistant	1	1	0 *2
Executive Assistant	1	1	1
Library Assistant III	8.75	7.75 *1	6.75 *3
Library Assistant I/II	10.25	9.75 *1	9.25 *4
Office Assistant III	1	1	1
Bookmender	1	0 *1	0
Total Permanent	<u>37.25</u>	<u>34.75</u>	<u>34</u>
Total Part-Time Hourly	<u>9.64</u>	<u>9.64</u>	<u>9.83 *3</u>
TOTAL POSITIONS	<u><u>46.89</u></u>	<u><u>44.39</u></u>	<u><u>43.83</u></u>

*1 Eliminated one Library Assistant III position, 0.50 Library Assistant I/II position and the Bookmender position.

*2 Reclassified Supervising Library Assistant position to Supervising Librarian.

*3 Mid-year increase of 0.75 Librarian I/II position, elimination of one Library Assistant III position and increase in hours.

*4 Eliminated 0.50 Library Assistant I/II position.

<u>DEPARTMENT PROGRAMS</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Library Services Administration	\$ 509,518	468,928	576,430
Public Services	2,598,885	2,700,120	2,695,940
Support Services	700,090	753,594	870,879
	<u><u>\$ 3,808,493</u></u>	<u><u>3,922,642</u></u>	<u><u>4,143,249</u></u>

**LIBRARY SERVICES
DEPARTMENT SUMMARY**

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 3,230,534	3,273,149	3,425,014
Supplies and Other Services	542,903	615,993	611,525
Capital Outlay	31,790	33,500	101,710
Interfund Expenditures	3,266	0	5,000
TOTAL EXPENDITURES	<u>\$ 3,808,493</u>	<u>3,922,642</u>	<u>4,143,249</u>

<u>FUNDING SOURCES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Operating Fund	\$ 3,808,493	3,902,642	4,078,649
General Fund Reserve	0	20,000	64,600
TOTAL FUNDING	<u>\$ 3,808,493</u>	<u>3,922,642</u>	<u>4,143,249</u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
State Intergovernmental Revenue	\$ 675	0	15,690
General Service Charges	157,586	145,350	140,660
Miscellaneous Revenue	26,792	5,000	47,500
TOTAL REVENUES	<u>\$ 185,053</u>	<u>150,350</u>	<u>203,850</u>

LIBRARY SERVICES—ADMINISTRATION

PROGRAM SUMMARY

PROGRAM MANAGER—LIBRARY SERVICES DIRECTOR

PROGRAM MISSION STATEMENT

To provide responsive administrative leadership and support to effectively and efficiently offer comprehensive library services to a diverse community.

PROGRAM FUNCTIONS

- Provide administrative support for the Library staff, Library Board and the community through effective management of resources.
- Develop and monitor the Library budget.
- Provide staff with appropriate training and team-building opportunities to strengthen the delivery of library services to the community.
- Provide information about library services and programs and promote library services to the diverse Mountain View community.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Initiate the Circulation Services desk and workroom remodel and install a materials handling system.
- Fully implement the new mobile library service program.
- Identify ways to offer more youth services through partnerships, grants, volunteers, etc.
- Continue streamlining Support Services workflow and functions.
- Convert the Computer Center to a Computer Training Center and offer a variety of training programs for the public.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Security Guard Wages

\$7,500

Provides increased funding for security guards in the building. All areas of the Library building cannot be adequately monitored by staff and as the Library is a public building, who enters the building cannot be controlled. Security guards are needed during peak times to ensure appropriate behavior of some Library customers. *Provides better security during peak periods.*

**LIBRARY SERVICES—ADMINISTRATION
PROGRAM SUMMARY**

Self-Check Service Agreement \$5,000

Provides funding for the service agreement for the Library's new self-check machines. *Maintains appropriate level of support.*

Janitorial Supplies \$2,300

Provides additional funding for janitorial supplies. The Library is a public building with public rest rooms. Use of the Library continues to increase, requiring more maintenance. *Maintains desired level of service.*

- General Fund Reserve:

Library Centennial Event (one-time expenditures) \$5,000

Provides one-time funding to hold a Library centennial event. *No service level impact.*

Chair Cleaning (one-time expenditure) \$1,500

Provides one-time funding to clean 30 staff chairs. *No service level impact.*

KP/BUD
LHP-026-02^

**LIBRARY SERVICES - ADMINISTRATION
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Library Services Director	1	1	1
Executive Assistant	1	1	1
Library Assistant III	1	0 *1	0
Office Assistant III	1	1	1
Total Permanent	<u>4</u>	<u>3</u>	<u>3</u>
Total Part-Time Hourly	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL POSITIONS	<u><u>4</u></u>	<u><u>3</u></u>	<u><u>3</u></u>

*1 Transferred one Library Assistant III position to the Public Services Program.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 385,571	342,933	366,292
Supplies and Other Services	91,852	92,495	108,428
Capital Outlay	31,790	33,500	101,710
Interfund Expenditures	305	0	0
TOTAL EXPENDITURES	<u><u>\$ 509,518</u></u>	<u><u>468,928</u></u>	<u><u>576,430</u></u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
State Intergovernmental Revenue	\$ 675	0	15,690
General Service Charges	7,290	8,800	8,800
Miscellaneous Revenue	13,508	5,000	45,000
TOTAL REVENUES	<u><u>\$ 21,473</u></u>	<u><u>13,800</u></u>	<u><u>69,490</u></u>

**LIBRARY SERVICES - ADMINISTRATION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 299,181	271,298	274,350
Wages	26,567	22,525	30,000 *1
Benefits	59,823	49,110	61,942
	<u>\$ 385,571</u>	<u>342,933</u>	<u>366,292</u>

*1 Includes increased funding of \$7,500 for security guard wages.

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 20,714	24,400	19,400
Maintenance and Operations	13,976	15,418	22,700 *1
Utilities	3,642	24,750	24,500
Professional/Technical Svcs	15,932	15,461	20,862
Other Expenses	37,588	12,466	20,966 *2
	<u>\$ 91,852</u>	<u>92,495</u>	<u>108,428</u>

*1 Includes increased funding of \$5,000 for self-check machines' service agreement and \$2,300 for janitorial supplies.

*2 Includes one-time fundings of \$5,000 for Library centennial event and \$1,500 for chair cleaning.

NOTES

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LIBRARY SERVICES—PUBLIC SERVICES

PROGRAM SUMMARY

PROGRAM MANAGER—LIBRARY SERVICES MANAGER

PROGRAM MISSION STATEMENT

To offer a variety of services and programs for customers of all ages, develop quality library collections, provide lending services and manage building operations.

PROGRAM FUNCTIONS

- Provide quality services, programs, systems and facilities to be a welcoming place that enhances the quality of community life.
- Offer a variety of library materials, technology and reference and readers' assistance to help customers meet their information needs.
- Provide a quality collection of popular and enduring materials for customers to use and borrow.
- Provide and monitor lending services and customer satisfaction.
- Improve access to library materials by providing a variety of outreach services to the community.
- Offer a variety of programs, services and training for all ages and groups.
- Ensure the preservation of the historical record of the City of Mountain View.
- Shelf materials in all sections of the Library accurately and in a timely manner.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Initiate the Circulation Services desk and workroom remodel and install a materials handling system.
- Fully implement the new mobile library service program.
- Identify ways to offer more youth services through partnerships, grants, volunteers, etc.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Reorganizations

(\$2,900)

Includes the upward reclassification of the Library Services Manager position and the Supervising Library Assistant position offset by the elimination of a half-time Library Assistant II position. Also includes the elimination of a Library Assistant III position, increase of a .50 Librarian II to 1.0 full-time, increase of another .50 Librarian II to .75 and added Librarian hours. *Maintains desired level of service.*

**LIBRARY SERVICES - PUBLIC SERVICES
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Library Services Manager	1	1	1
Supervising Librarian	2	2	3 *4
Librarian I/II	6.75	6.75	6.50 *5
Supervising Library Assistant	1	1	0 *4
Library Assistant III	5.25	5.75 *1	4.75 *6
Library Assistant I/II	8.75	8.25 *2	7.75 *7
Total Permanent	24.75	24.75	23
Total Part-Time Hourly	9.64	8.26 *3	8.45 *6
TOTAL POSITIONS	34.39	33.01	31.45

*1 Transferred one Library Assistant III position from the Administration program and eliminated 0.50 position.

*2 Eliminated 0.50 Library Assistant I/II position.

*3 Transferred hours to the Support Services Program.

*4 Reclassified Supervising Library Assistant position to Supervising Librarian.

*5 Mid-year increase of 0.75 Librarian I/II position and transfer of one position to the Support Services Program.

*6 Mid-year elimination of one Library Assistant III position with offsetting increase in hours

*7 Eliminated 0.50 Library Assistant I/II position.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 2,211,447	2,284,480	2,290,300
Supplies and Other Services	384,477	415,640	400,640
Capital Outlay	0	0	0
Interfund Expenditures	2,961	0	5,000
TOTAL EXPENDITURES	\$ 2,598,885	2,700,120	2,695,940

REVENUE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
General Service Charges	\$ 131,372	126,660	131,660
Miscellaneous Revenue	13,284	0	2,500
TOTAL REVENUES	\$ 144,656	126,660	134,160

**LIBRARY SERVICES - PUBLIC SERVICES
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 1,518,241	1,575,377	1,512,298
Wages	306,816	274,275	290,834
Benefits	386,390	434,828	487,168
	<u>\$ 2,211,447</u>	<u>2,284,480</u>	<u>2,290,300</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 367,682	368,640	373,640
Maintenance and Operations	15	0	0
Utilities	0	0	0
Professional/Technical Svcs	11,000	27,000	27,000
Other Expenses	5,780	20,000 *1	0
	<u>\$ 384,477</u>	<u>415,640</u>	<u>400,640</u>

*1 Includes one-time funding of \$20,000 for the Adult library book collection.

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LIBRARY SERVICES—SUPPORT SERVICES PROGRAM SUMMARY

PROGRAM MANAGER—LIBRARY SERVICES MANAGER

PROGRAM MISSION STATEMENT

To manage library computers and computer systems and maintain the on-line catalog, to acquire and maintain the library collections and to provide and support resource sharing services.

PROGRAM FUNCTIONS

- Provide quality services, systems and facilities to be a welcoming place that enhances the quality of community life.
- Catalog, classify and process all incoming print and media items and all current issues of periodicals in a timely manner.
- Create and maintain the integrity of indexes which facilitate location and use of resources in the Library's collection.
- Maintain the library's computer system and make recommendations for the purchase of hardware and software to support the Library's service objectives.
- Maintain the physical condition of the Library's collection.
- Provide access to materials not held in the Library's collection through resource sharing and interlibrary loan services.
- Support collection development activities through the timely, efficient and accurate acquisition of library materials within established budgetary parameters.
- Oversee public-access computers, liaise with City I.T. staff and maintain the Library's web page.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Continue streamlining Support Services workflow and functions.
- Convert the Computer Center to a Computer Training Center and offer a variety of training programs for the public.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Reorganization

No Net Cost

Includes the upward reclassification of a Library Services Manager position. See Public Services Program for additional changes. *Maintains desired level of service.*

**LIBRARY SERVICES - SUPPORT SERVICES
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Library Services Manager	1	1	1
Supervising Librarian	1	1	1
Librarian I/II	1.50	1.50	2.50 *3
Library Assistant III	2.50	2 *1	2
Library Assistant I/II	1.50	1.50	1.50
Bookmender	1	0 *1	0
Total Permanent	8.50	7	8
Total Part-Time Hourly	0	1.38 *2	1.38
TOTAL POSITIONS	8.50	8.38	9.38

*1 Eliminated 0.50 Library Assistant III position and the Bookmender position.

*2 Transferred hours from the Public Services Program.

*3 Transferred one Librarian I/II position from the Public Services Program.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 633,516	645,736	768,422
Supplies and Other Services	66,574	107,858	102,457
Capital Outlay	0	0	0
Interfund Expenditures	0	0	0
TOTAL EXPENDITURES	\$ 700,090	753,594	870,879

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Service Charges	\$ 18,924	9,890	200
TOTAL REVENUES	\$ 18,924	9,890	200

**LIBRARY SERVICES - SUPPORT SERVICES
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 504,868	491,757	568,466
Wages	13,763	35,522	36,065
Benefits	114,885	118,457	163,891
	<u>\$ 633,516</u>	<u>645,736</u>	<u>768,422</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 30,384	54,157 *1	54,157
Maintenance and Operations	2,495	0	0
Utilities	273	0	0
Professional/Technical Svcs	31,422	51,201 *2	45,800
Other Expenses	2,000	2,500	2,500
	<u>\$ 66,574</u>	<u>107,858</u>	<u>102,457</u>

*1 Includes increased funding of \$25,500 for materials cataloging and processing.

*2 Includes increased funding of \$5,400 for delivery services.

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FIRE DEPARTMENT

The Fire Department provides disaster preparedness and recovery training, fire prevention and housing code enforcement, fire suppression, rescue, emergency medical care, hazardous materials incident response and prevention, industrial waste discharge and general surface water pollution prevention and special services to the community. Department equipment and personnel are strategically deployed throughout the City to rapidly assist citizens when emergencies occur.

ADMINISTRATION

Administration is responsible for management of the Fire Department. The division provides strategic planning, leading, managing and supporting Fire Department personnel, and programs in the accomplishment of the Department's mission.

SUPPRESSION DIVISION

The Suppression Division consists of the Operations, the Personnel and Training and the Office of Emergency Services/Public Information Sections.

The Operations Section provides firefighting, hazardous materials incident, paramedic and rescue response services from five fire stations strategically located throughout the City. Firefighters also conduct fire prevention inspections, public education, equipment and facilities maintenance, as well as ongoing training activities. Paramedic Firefighters are assigned to every fire station.

The Personnel and Training Section plans, schedules and provides training to Firefighters. The section also coordinates the Firefighter recruitment and selection process.

The Office of Emergency Service/Public Information Section is responsible for disaster preparedness and coordinates disaster response.

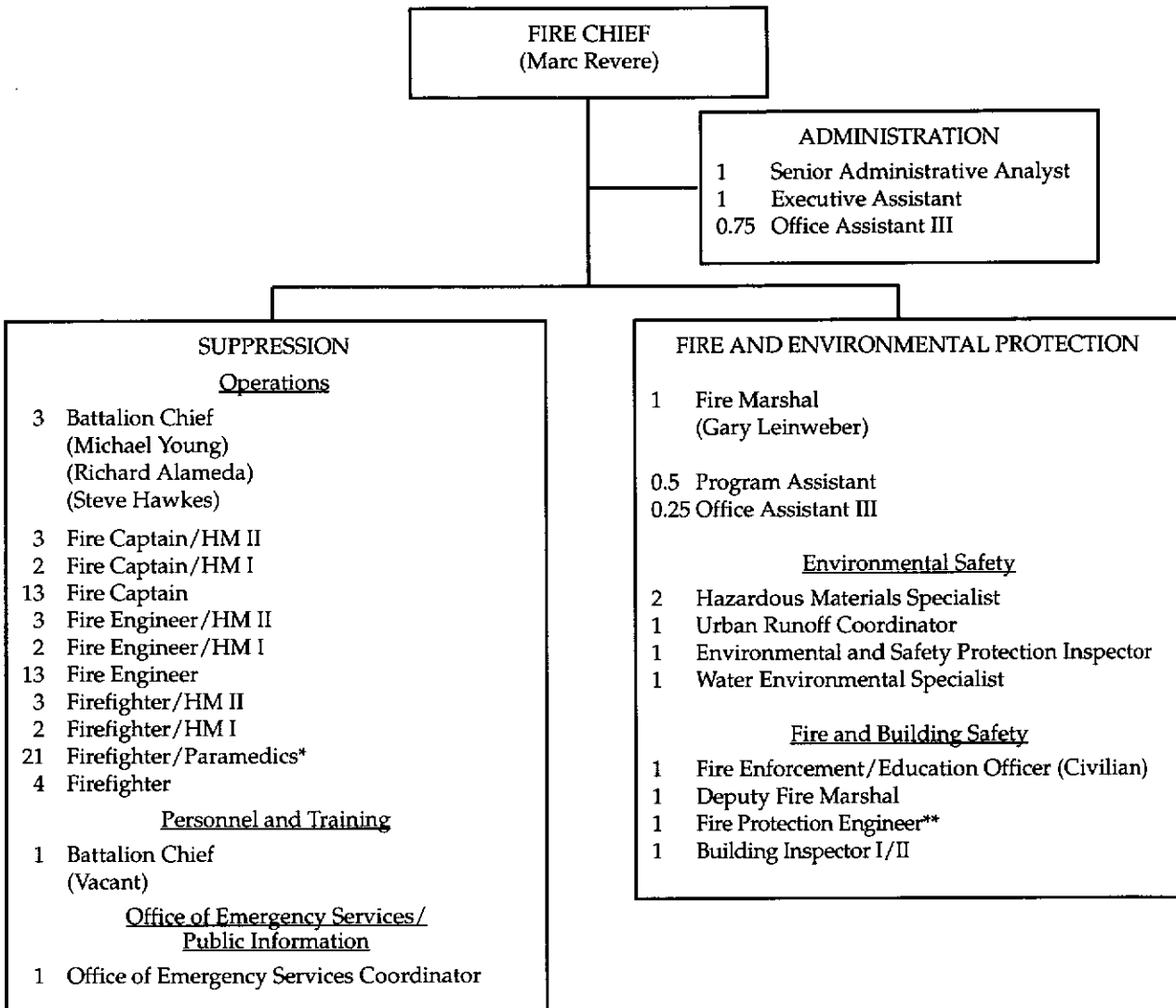
FIRE AND ENVIRONMENTAL PROTECTION DIVISION

The Fire and Environmental Protection Division consists of the Environmental Safety and the Fire and Building Safety Sections.

The Environmental Safety Section is responsible for the enforcement of local hazardous materials storage codes, State underground chemical storage tank regulations, industrial waste discharge, and Federal and State regulations related to the control of industrial waste and storm water runoff. Efforts are aimed at preventing uncontrolled releases and movement of hazardous and toxic substances.

The Fire and Building Safety Section is responsible for conducting the City's fire and housing code enforcement programs, fire cause investigations and technical support to the Suppression Division.

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FISCAL YEAR 2005-06 POSITION TOTALS:	85.0	Full-Time
	0.5	Permanent Part-Time

* Authorization of 21 Paramedics includes Engineer level.

** Located in Community Development Department but budgeted in Fire Department.

FIRE DEPARTMENT SUMMARY

DEPARTMENT MANAGER–FIRE CHIEF

DEPARTMENT MISSION STATEMENT

To save lives and property, protect the environment and minimize risks of fire and natural disaster by translating service requests into action and investing in education, training and prevention.

DEPARTMENT FUNCTIONS

- Develop long-range plan process for modifications and changes in departmental activity based upon changing conditions.
- Respond quickly to all emergencies and take appropriate actions thereby reducing loss of life, property and environmental damage while ensuring the safety of all Fire personnel involved. (M 1)
- Maintain a professional level of operational readiness as Firefighters, Paramedics, Emergency Medical Technicians, Hazardous Materials First-Responders, Hazardous Materials Technicians and Rescuers. (M 2, 3)
- Provide annual training and coordination for City staff and residential and business community volunteers on disaster preparedness, response and recovery.
- Ensure that facilities using or storing hazardous materials, or discharging wastewater into the sanitary or storm sewers, comply with applicable Federal, State and local requirements. (M 4, 5)
- Maintain an ongoing fire prevention program, hazardous materials and underground storage tank inspection program. (M 5)
- Maintain a rental housing inspection program.

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Implement succession strategies focused on preparing employees to assume future leadership roles.
- Provide direction during the recruitment and selection process for fire suppression and Fire and Environmental Protection Division vacancies.
- Offer the National Fire Protection Association Program "Remembering When: A Fire and Fall Prevention Program for Older Adults" to seniors age 60 and older.
- Coordinate the Fire and Environmental Protection Division's move to City Hall—4th floor.

FIRE
DEPARTMENT SUMMARY

PERFORMANCE/WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target	2004-05 Actual	2005-06 Target
Suppression:					
1. Percent of emergency calls (Fire, Paramedic, Hazardous Materials, etc.) that Fire Department units arrive on scene within six minutes of notification	>85%	90%	>85%	87%	>85%
2. Fire calls per 1,000 population	1.7	1.71	1.7	1.6	1.7
3. Emergency medical responses per 1,000 population	38	39.87	38	39.5	38
Fire and Environmental Protection:					
4. Percent of plans checked within five working days of receipt by division	100%	99% ^(A)	100%	100%	100%
5. Number of inspections conducted by Environment Safety Section	1,500	1,993 ^(B)	1,500	1,869 ^(C)	1,500

^(A) During the first quarter, one plan check in 25 did not meet the goal of five days.

^(B) More inspections conducted than usual as certain inspections were performed by fire prevention staff instead of fire suppression staff due to high life-safety concern.

^(C) More wastewater inspections being conducted than in prior years.

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LHP-172-01^

FIRE DEPARTMENT SUMMARY

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Fire Chief	1	1	1
Battalion Chief	4	4	4
Fire Marshal	1	1	1
Office of Emergency Svcs Coordinator	1	1	1
Assistant Fire Marshal	1	0 *2	0
Fire Protection Engineer	1	1	1
Deputy Fire Marshal	1	1	1
Fire Enforcement/Education Officer	0	1 *2	1
Fire Captain/HM II	3	3	3
Fire Captain/HM I	2	2	2
Fire Captain	13	13	13
Fire Engineer/HM II	3	3	3
Fire Engineer/HM I	2	2	2
Fire Engineer	13	13	13
Firefighter/HM II	3	3	3
Firefighter/HM I	2	2	2
Firefighter/Paramedic	21 *1	21 *1	21 *1
Firefighter	4	4	4
Haz Mat Specialist	2	2	2
Urban Runoff Coordinator	1	1	1
Environmental & Safety Protection Inspector	1	1	1
Water Environmental Specialist	1	1	1
Program Assistant	0.50	0.50	0.50
Building Inspector I/II	2	1 *3	1
Senior Administrative Analyst	1	1	1
Executive Assistant	1	1	1
Office Assistant III	1	1	1
Total Permanent	86.50	85.50	85.50
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	86.50	85.50	85.50

*1 Authorization of 21 Paramedics includes Engineer level.

*2 Assistant Fire Marshal position reclassified to civilian Fire Enforcement/Education Officer position.

*3 Elimination of a Building Inspector I/II position.

**FIRE
DEPARTMENT SUMMARY**

<u>DEPARTMENT PROGRAMS</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Fire Administration	\$ 515,206	574,456	595,107
Fire Suppression	11,151,703	12,191,508	12,779,802
Fire and Environmental Protection	1,778,721	1,766,070	1,832,759
	<u>\$ 13,445,630</u>	<u>14,532,034</u>	<u>15,207,668</u>

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 12,728,957	13,429,412	14,072,133
Supplies and Other Services	512,997	784,322	827,730
Capital Outlay	0	50,500	33,105
Interfund Expenditures	203,676	267,800	274,700
TOTAL EXPENDITURES	<u>\$ 13,445,630</u>	<u>14,532,034</u>	<u>15,207,668</u>

<u>FUNDING SOURCES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Operating Fund	\$ 12,289,506	13,228,929	13,834,032
General Fund Reserve	0	32,000	66,750
Shoreline Regional Park Community	88,399	97,878	101,178
Wastewater	1,067,725	1,173,227	1,205,708
TOTAL FUNDING	<u>\$ 13,445,630</u>	<u>14,532,034</u>	<u>15,207,668</u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Licenses & Permits	\$ 299,907	519,195	519,195
Fines and Forfeitures	20,693	0	0
State Intergovernmental Revenue	30,445	15,000	15,000
General Service Charges	116,687	176,171	176,461
Miscellaneous Revenue	262,174	234,070	232,886
TOTAL REVENUES	<u>\$ 729,906</u>	<u>944,436</u>	<u>943,542</u>

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FIRE—ADMINISTRATION PROGRAM SUMMARY

PROGRAM MANAGER—FIRE CHIEF

PROGRAM MISSION STATEMENT

To provide leadership and management to Fire Department divisions; identify related needs of the community and effectively manage department resources toward meeting those needs.

PROGRAM FUNCTIONS

- Develop long-range plan process for modifications and changes in departmental activity based upon changing conditions.
- Keep City Management and Council apprised of enhanced service level alternatives.
- Act as a liaison between the department, other jurisdictions and agencies to maximize the effectiveness of the organization and to share resources when appropriate.
- Analyze and plan for the department's capital and personnel needs based upon budget cycle.
- Keep current on legislation that affects Fire Department-related services.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Implement succession strategies focused on preparing employees to assume future leadership roles.
- Provide direction during the recruitment and selection process for fire suppression and Fire and Environmental Protection Division vacancies.

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LHP-172-02^

**FIRE - ADMINISTRATION
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Fire Chief	1	1	1
Senior Administrative Analyst	1	1	1
Executive Assistant	1	1	1
Office Assistant III	0.75	0.75	0.75
Total Permanent	3.75	3.75	3.75
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	<u>3.75</u>	<u>3.75</u>	<u>3.75</u>

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 471,298	514,312	535,363
Supplies and Other Services	39,911	54,944	54,944
Capital Outlay	0	0	0
Interfund Expenditures	3,997	5,200	4,800
TOTAL EXPENDITURES	<u>\$ 515,206</u>	<u>574,456</u>	<u>595,107</u>

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Miscellaneous Revenue	\$ 826	0	0
TOTAL REVENUES	<u>\$ 826</u>	<u>0</u>	<u>0</u>

**FIRE - ADMINISTRATION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 366,084	389,986	389,324
Wages	1,211	0	0
Benefits	104,003	124,326	146,039
	<u>\$ 471,298</u>	<u>514,312</u>	<u>535,363</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 28,670	40,014	40,014
Maintenance and Operations	326	2,000	2,000
Utilities	745	0	0
Professional/Technical Svcs	5,393	3,000	3,000
Other Expenses	4,777	9,930	9,930
	<u>\$ 39,911</u>	<u>54,944</u>	<u>54,944</u>

FIRE—SUPPRESSION PROGRAM SUMMARY

PROGRAM MANAGER—FIRE CHIEF

PROGRAM MISSION STATEMENT

To provide a well-trained, effective response force that safeguards lives and property and protect the environment by providing services which reduce the risk or losses incurred by fire, medical emergencies, hazardous materials incidents and natural disasters, and to prepare City staff and community for response to and recovery from natural and man-made disasters.

PROGRAM FUNCTIONS

- Respond quickly to all emergencies and take appropriate actions thereby reducing loss of life, property and environmental damage while ensuring the safety of all Fire personnel involved.
- Maintain a professional level of operational readiness as Firefighters, Paramedics, Emergency Medical Technicians, Hazardous Materials First-Responders, Hazardous Materials Technicians and Rescuers.
- Provide annual training and coordination for City staff and residential and business community volunteers on disaster preparedness, response and recovery.
- Participate in ongoing fire and life safety activities through public education, community training, prefire planning and fire prevention inspections.
- Seek out and consider for organizational incorporation cost-effective innovations in equipment and methodologies.
- Maintain the Emergency Operations Center (EOC) in a state of readiness.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Offer the National Fire Protection Association Program "Remembering When: A Fire and Fall Prevention Program for Older Adults" to seniors age 60 and older.
- Complete design specifications for new fire apparatus fleet replacement.
- Complete recruitment/selection processes for Fire Battalion Chief, Fire Captain and Fire Engineer positions.
- Submit completed emergency plan update to Disaster Council and City Council for approval.
- Implement Fire Corps Program for Fire Department volunteers.
- Conduct one emergency management organization exercise.

FIRE—SUPPRESSION PROGRAM SUMMARY

MAJOR PROGRAM CHANGES

- General Operating Fund:

Miscellaneous Reduction (\$2,000)

Reduces the department's operating budget for an incident historian. *No service level impact, will be absorbed by department.*

Hazardous Emergency Action Team (HEAT) Training Costs \$21,000

Increases funding for the HEAT program to the minimum required level as specified in the MVFF Memorandum of Understanding. These costs were previously absorbed in the operating budget. *Maintains level of service as specified in MOU.*

- General Fund Reserve:

New Hire Cost (one-time expenditure) \$32,000

Provides funding for background investigations and other "start-up" costs for four Firefighter candidates for employment. The department anticipates four Firefighter vacancies from retirements during Fiscal Year 2005-06. Associated recruitment costs are located in the Employee Services Department. *Maintains desired level of recruiting standards.*

Emergency Medical Services (EMS) Jackets (one-time expenditure) \$18,800

Provides one-time funding to purchase 30 EMS jackets (for Firefighters and Paramedics). These new jackets will replace the "red coats" and rain jackets currently used while improving safety protection. *No service level impact.*

Turnout Clothing (one-time expenditure) \$16,000

Provides one-time funding for replacement of firefighting protective clothing. *No service level impact.*

LM/BUD
LHP-172-03^

**FIRE - SUPPRESSION
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Battalion Chief	4	4	4
Office of Emergency Services Coordinator	1	1	1
Fire Captain/HM II	3	3	3
Fire Captain/HM I	2	2	2
Fire Captain	13	13	13
Fire Engineer/HM II	3	3	3
Fire Engineer/HM I	2	2	2
Fire Engineer	13	13	13
Firefighter/HM II	3	3	3
Firefighter/HM I	2	2	2
Firefighter/Paramedic	21 *1	21 *1	21 *1
Firefighter	4	4	4
Total Permanent	71	71	71
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	71	71	71

*1 Authorization of 21 Paramedics includes Engineer level.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 10,667,427	11,378,688	11,937,264
Supplies and Other Services	308,004	524,820	561,733
Capital Outlay	0	50,500	33,105
Interfund Expenditures	176,272	237,500	247,700
TOTAL EXPENDITURES	\$ 11,151,703	12,191,508	12,779,802

REVENUE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
General Licenses & Permits	\$ 46	40	40
State Intergovernmental Revenue	30,445	15,000	15,000
Miscellaneous Revenue	254,161	224,070	222,886
TOTAL REVENUES	\$ 284,652	239,110	237,926

**FIRE - SUPPRESSION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 8,125,855	7,963,317	8,265,572 *1
Wages	0	0	0
Benefits	2,541,572	3,415,371	3,671,692
	<u>\$ 10,667,427</u>	<u>11,378,688</u>	<u>11,937,264</u>

*1 Includes increased funding of \$8,500 (of the \$21,000) for Hazardous Emergency Action Team training costs.

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 131,171	171,929	172,029
Maintenance and Operations	48,477	56,496	56,996
Utilities	40,834	57,570	56,370
Professional/Technical Svcs	51,104	146,882	142,995 *2
Other Expenses	36,418	91,943 *1	133,343 *3
	<u>\$ 308,004</u>	<u>524,820</u>	<u>561,733</u> *4

*1 Includes one-time funding of \$32,000 for new hire costs.

*2 Includes decreased funding of \$2,000 of miscellaneous reductions.

*3 Includes one-time fundings of \$32,000 for new hire costs, \$18,800 for EMS jackets, and \$16,000 for turnout clothing.

*4 Includes increased funding of \$12,500 (of the \$21,000) for Hazardous Emergency Action Team training costs.

FIRE—FIRE AND ENVIRONMENTAL PROTECTION PROGRAM SUMMARY

PROGRAM MANAGER—FIRE MARSHAL

PROGRAM MISSION STATEMENT

To protect the health, safety and welfare of the community through a comprehensive program emphasizing fire prevention, fire investigation, public education/outreach, environmental compliance and housing inspection.

PROGRAM FUNCTIONS

- Ensure that facilities using or storing hazardous materials, or discharging wastewater into the sanitary or storm sewers, comply with applicable Federal, State and local requirements.
- Maintain an ongoing fire prevention program, hazardous materials and underground storage tank inspection program.
- Maintain a rental housing inspection program.
- Maintain an effective permitting program requiring businesses to submit critical information about their hazardous materials storage, use and wastewater discharge practices.
- Identify and remove any abandoned or unmonitored underground storage tanks which may have contained hazardous materials.
- Review and inspect facilities discontinuing the use or storing of hazardous materials.
- Review plans and inspect new construction projects for compliance with applicable codes and ordinances.
- Provide technical assistance at hazardous materials incidents.
- Provide counseling and education for juvenile fire setters to prevent repeat offenses.
- Investigate all suspicious, fatal and high-dollar-loss fires to determine cause, origin and circumstances.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Coordinate the Division's move to City Hall—4th floor.
- Work with Employee Services Department on recruitment/selection processes for hazardous materials, fire inspection and wastewater positions.

**FIRE—FIRE AND ENVIRONMENTAL PROTECTION
PROGRAM SUMMARY**

MAJOR PROGRAM CHANGES

- Wastewater Fund:

Nonpoint Discharge Dues (SCVWD)	\$6,500
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Provides funding for cost increase in dues.

LM/BUD
LHP-172-04^

**FIRE - FIRE AND ENVIRONMENTAL PROTECTION
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Fire Marshal	1	1	1
Assistant Fire Marshal	1	0 *1	0
Fire Protection Engineer	1	1	1
Deputy Fire Marshal	1	1	1
Fire Enforcement/Education Officer	0	1 *1	1
Haz Mat Specialist	2	2	2
Urban Runoff Coordinator	1	1	1
Environmental & Safety Protection Inspector	1	1	1
Water Environmental Specialist	1	1	1
Building Inspector I/II	2	1 *2	1
Program Assistant	0.50	0.50	0.50
Office Assistant III	0.25	0.25	0.25
Total Permanent	11.75	10.75	10.75
Total Part-Time Hourly	0	0	0
TOTAL POSITIONS	11.75	10.75	10.75

*1 Assistant Fire Marshal position reclassified to civilian Fire Enforcement/Education Officer position.

*2 Elimination of a Building Inspector I/II position.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 1,590,232	1,536,412	1,599,506
Supplies and Other Services	165,082	204,558	211,053
Capital Outlay	0	0	0
Interfund Expenditures	23,407	25,100	22,200
TOTAL EXPENDITURES	\$ 1,778,721	1,766,070	1,832,759

REVENUE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
General Licenses & Permits	\$ 299,861	519,155	519,155
Fines and Forfeitures	20,693	0	0
General Service Charges	116,687	176,171	176,461
Miscellaneous Revenue	7,187	10,000	10,000
TOTAL REVENUES	\$ 444,428	705,326	705,616

**FIRE - FIRE AND ENVIRONMENTAL PROTECTION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 1,236,806	1,158,627	1,144,301
Wages	0	0	0
Benefits	353,426	377,785	455,205
	<u>\$ 1,590,232</u>	<u>1,536,412</u>	<u>1,599,506</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 15,631	26,250	26,250
Maintenance and Operations	1,496	3,550	3,550
Utilities	953	500	500
Professional/Technical Svcs	139,904	160,208	166,703 *1
Other Expenses	7,098	14,050	14,050
	<u>\$ 165,082</u>	<u>204,558</u>	<u>211,053</u>

*1 Includes increased funding of \$6,500 for nonpoint discharge dues (SCVWS).

NOTES
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POLICE DEPARTMENT

The Police Department is responsible for maintaining the safety and protection of the community by means of crime prevention and educational programs, the apprehension and prosecution of criminals and the management of noncriminal public activities. The department provides uniform police services with its primary functions being responding to criminal activity and calls for service in an effective and timely manner, providing crime suppression and prevention activities. The department provides follow-up investigations, record keeping, processing of warrants of arrest and the coordination of all personnel and training functions. The department also provides emergency communications services which encompass 9-1-1 answering, dispatch services and public safety computerized records management.

ADMINISTRATION

Administration is responsible for managing the Police Department. This division is responsible for maintaining the integrity of the department and investigating all complaints against Police employees, for tracking all major community policing actions, coordinating and implementing crime prevention activities, and relaying public information by maintaining open communications and relationships with local media personnel.

FIELD OPERATIONS DIVISION

The Field Operations Division is responsible for providing all uniform police services to the community. Its primary function includes responding to criminal activity and calls for service in an effective and timely manner and providing crime suppression and prevention activities. Within this division resides Patrol, Traffic Safety, Special Operations and School Resource Officers.

INVESTIGATIVE SERVICES DIVISION

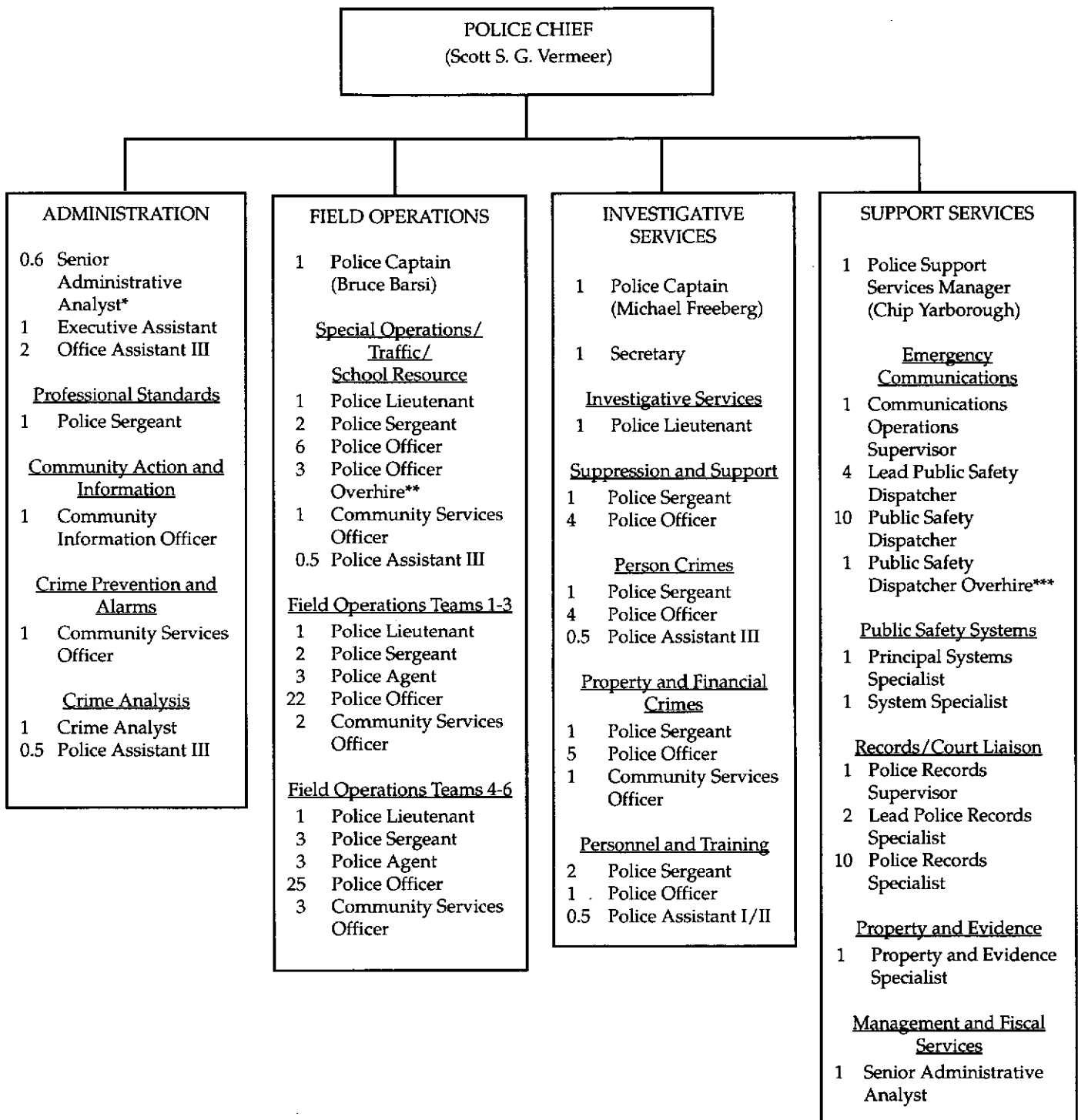
The Investigative Services Division is responsible for supporting all patrol units through follow-up investigations by proactive investigative teams comprised of Suppression and Support which addresses narcotic, vice, gang and other difficult crime issues; Person Crimes which addresses violent crimes, sexual predators, youth crimes and missing persons; Property and Financial Crimes which addresses theft, fraud, auto theft and high-tech crimes, and the tracking of crime trends and criminal events to help ensure prosecution. Additionally, this division is responsible for the coordination of all personnel and training functions.

SUPPORT SERVICES DIVISION

The Support Services Division is responsible for supporting the department and is comprised of Emergency Communications which answers all 9-1-1 and nonemergency calls for public safety, determining and dispatching the most appropriate response of Police, Fire or ambulances, Telecommunications Device for the Deaf (TDD) services and emergency medical dispatch services; Public Safety Systems which manages the City's various radio systems and public safety computer systems; Records which is responsible for record-keeping activities such as filing, indexing and collecting of records and statistical information, processing of arrest warrants; Property and Evidence which is responsible for the collection, safekeeping of all department evidence taken into custody; Management and Fiscal Services which coordinates the department facility, grants, financial issues, budget, as well as many other management tasks.

SN/6/BUD
541-05-11-05OFH^

POLICE DEPARTMENT



FISCAL YEAR 2005-06 POSITION TOTALS: 143.6 Full-Time
2.0 Permanent Part-Time

*The other 0.4 of this position is located in the City Manager's Office.

**Three Police Officer overhire positions are funded on a one-time, as-needed, basis.

***One Public Safety Dispatcher overhire position has been funded for Fiscal Year 2005-06.

POLICE DEPARTMENT SUMMARY

DEPARTMENT MANAGER-POLICE CHIEF

DEPARTMENT MISSION STATEMENT

To protect life and property while honoring the Constitution and fulfilling our oath of office in order to serve the Mountain View community with professionalism and respect.

DEPARTMENT FUNCTIONS

- Promote a sense of security through comprehensive and proactive prevention programs, apprehend and prosecute criminals and respond timely and professionally to requests for police service. (M 1)
- Work cooperatively with the community, City and other criminal justice agencies in order to protect life and property. (M 4, 5, 6, 7, 8, 9, 15)
- Recruit, select, train and retain highly qualified personnel representing the diversity of the Mountain View community.
- Maintain support services functions to fulfill responsibilities related to systems technologies, records, warrants and property and evidence.
- Provide communication services to the community for police, fire and medical emergencies. (M 20, 21, 22)

MAJOR DEPARTMENTAL GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Continue transition of the department into community policing philosophies and strategies.
- Continue to enhance programs to improve communication with the community.
- Maintain aggressive outreach programs for all levels of the organization to attract a diverse pool of Police candidates in order to continue improving organizational diversity.
- Develop sound capability to handle homeland security issues.
- Replace current computer-aided dispatch, records and management information systems.

POLICE
DEPARTMENT SUMMARY

PERFORMANCE/WORKLOAD MEASURES

	2003-04 Target	2003-04 Actual	2004-05 Target ^(A)	2004-05 Actual	2005-06 Target
Administration:					
1. Reduce false alarms		New for FY 2004-05	>5%	6%	>5%
2. Conduct an increased amount of crime prevention		New for FY 2004-05			
• Number of events			120	168	Discontinued ^(B)
• Number of contacts			21,500	18,954	Discontinued ^(B)
3. Reduce controllable overtime (hours)		New for FY 2004-05	>23,500	21,930	Discontinued ^(B)
Field Operations:					
4. Sustain Part I crimes index below the mean average for cities listed in annual report		New for FY 2004-05	4th-quarter mean—TBD	2,631 mean	TBD
5. Increase number of weapons taken off the streets of Mountain View		New for FY 2004-05	>65	177	>65
6. Proactively reduce Part I crimes in parks (number of cases com- pared with previous FY quarter)		New for FY 2004-05	Fourth quarter—59	24	<59
7. Proactively reduce Part I crimes in the downtown area (number of cases compared with previous FY quarter)		New for FY 2004-05	Fourth quarter—112	133 ^(C)	<112
8. Sustain traffic-related injuries below the mean average as compared to the Office of Traffic Safety comparable cities		New for FY 2004-05	<350	265	<350
9. Response Time (10-97) of 4 minutes or less on all Priority E and 1 calls for service		New for FY 2004-05	>55.55%	56.3%	>55.55%
10. Increase drug and violence prevention education		New for FY 2004-05			
• Students educated			1,170	1,440	Discontinued ^(B)
11. Ensure tobacco and alcohol sale law compliance through education and enforcement		New for FY 2004-05			
• Students educated			1,170	1,360	Discontinued ^(B)
• Target enforcements performed			1	0 ^(D)	Discontinued ^(B)
12. Increase service on all violent felony warrants (number of Mountain View violent felony warrants in system)		New for FY 2004-05	<11 warrants	0 served	Discontinued ^(B)
13. Moving violations issued	5,000	10,438 ^(E)	5,000	9,960 ^(E)	Discontinued ^(B)

POLICE
DEPARTMENT SUMMARY

	2003-04 Target	2003-04 Actual	2004-05 Target ^(A)	2004-05 Actual	2005-06 Target
14. Reduce calls for service at most active residential addresses through problem solving—Target is to have no residential addresses within top 10 of all most active addresses		New for FY 2004-05	0	0	Discontinued ^(B)
Investigative Services:					
15. Increase Part I crime clearance		New for FY 2004-05	>25%	31%	>25%
16. Increase monitoring/contacts of registered sex offenders		New for FY 2004-05	Undefined	21	Discontinued ^(B)
17. Increase narcotic arrests		New for FY 2004-05			
• Number of cases			>292	272	Discontinued ^(B)
• Number of persons			>510	314	Discontinued ^(B)
18. Increase number of cultural diversity training hours per employee		New for FY 2004-05	7 hours/ officer	11 hours/ officer	Discontinued ^(B)
19. Increase number of less lethal weapons options training hours per employee		New for FY 2004-05	3 hours/ officer	6.75 hours/ officer	Discontinued ^(B)
Support Services:					
20. Percent of incoming 9-1-1 calls that are answered within 9 seconds of receipt	>95%	99.2%	>95%	98.1%	>95%
21. Percent of emergency medical dispatch calls where Emergency Medical Dispatch services were provided to the public	>85%	89%	>85%	96.1%	>85%
22. Percent compliance to protocol on Emergency Medical Dispatch calls	>90%	95.2%	>90%	93.6%	>90%

^(A) Targets previously undefined in FY 2004-05 Adopted Budget.

^(B) Measures discontinued due to workload of data collection.

^(C) Part I crimes in general have been increasing City-wide, including in the designated area, even though proactive enforcement is in place.

^(D) Programs are scheduled for later in the school year and during the summer.

^(E) Increase in number of traffic citations due to additional enforcement in areas of seat belt, DUI and other traffic areas funded by State of California Office of Traffic Safety grants.

LP/BUD

LHP-305-01^

**POLICE
DEPARTMENT SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Police Chief	1	1	1
Police Captain	2	2	2
Police Support Services Manager	1	1	1
Police Lieutenant	5	4 *2	4
Police Sergeant	13	13	13
Police Agent	6	6	6
Police Officer	67	67	67
Police Officer (Overhire)	3	3	3
Community Information Officer	1	1	1
Community Services Officer	9	9	8 *3
Principal Systems Specialist	1	1	1
Police Records Supervisor	1	1	1
Senior Administrative Analyst	1.60	1.60	1.60
Crime Analyst	1	1	1
Systems Specialist	1	1	1
Communications Operations Supervisor	0	0	1 *4
Lead Public Safety Dispatcher	4	4	4
Public Safety Dispatcher	11	11	10 *4
Lead Police Records Specialist	2	2	2
Police Records Specialist	11	11	10 *3
Police Records Specialist Overhire	1 *1	0 *1	0
Property & Evidence Specialist	1	1	1
Police Assistant III	2.50	2 *2	1.50 *3
Police Assistant I/II	0.50	0.50	0.50
Executive Assistant	1	1	1
Secretary	1	1	1
Office Assistant III	2	2	2
Total Permanent	150.60	148.10	145.60
Total Part-Time Hourly	2.55	1.59 *2	1 *3
TOTAL POSITIONS	153.15	149.69	146.60

*1 Addition of one Police Records Specialist Overhire position for FY 2003-04; Eliminated in FY 2004-05.

*2 Eliminated one Police Lieutenant position, 0.50 Police Assistant I/II position, and hours.

*3 Eliminated one Community Services Officer position, one Police Records Specialist position, 0.50 Police Assistant III position and some hours.

*4 Reclassification of a Public Safety Dispatcher position to Communications Operations Supervisor.

**POLICE
DEPARTMENT SUMMARY**

<u>DEPARTMENT PROGRAMS</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Police Administration	\$ 1,384,310	1,233,668	1,332,497
Field Operations	12,031,437	12,798,920	13,169,359
Investigative Services	4,691,631	3,576,569	4,049,887
Support Services	2,075,360	4,216,123	4,531,408
	<u>\$ 20,182,738</u>	<u>21,825,280</u>	<u>23,083,151</u>
 <u>EXPENDITURE SUMMARY</u>	 <u>2003-04 ACTUAL</u>	 <u>2004-05 ADOPTED</u>	 <u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 17,723,155	19,313,983	20,369,055
Supplies and Other Services	1,827,126	1,979,397	1,978,796
Capital Outlay	78,981	22,500	207,000
Interfund Expenditures	553,476	509,400	528,300
TOTAL EXPENDITURES	<u>\$ 20,182,738</u>	<u>21,825,280</u>	<u>23,083,151</u>
 <u>FUNDING SOURCES</u>	 <u>2003-04 ACTUAL</u>	 <u>2004-05 ADOPTED</u>	 <u>2005-06 ADOPTED</u>
General Operating Fund	\$ 19,800,650	21,403,243	22,454,932
General Fund Reserve	0	196,319	508,882
Police Asset Forfeitures	4,605	0	0
Supplemental Law Enforcement Services	105,598	98,884	93,337
Grants Fund	257,366	100,834	0
Shoreline Regional Park Community	14,519	26,000	26,000
TOTAL FUNDING	<u>\$ 20,182,738</u>	<u>21,825,280</u>	<u>23,083,151</u>
 <u>REVENUE SUMMARY</u>	 <u>2003-04 ACTUAL</u>	 <u>2004-05 ADOPTED</u>	 <u>2005-06 ADOPTED</u>
General Licenses & Permits	\$ 43,666	51,602	50,302
Fines & Forfeitures	569,648	650,540	610,000
Local Intergovernmental Revenue	247,720	185,000	185,000
State Intergovernmental Revenue	373,525	252,847	100,000
Federal Intergovernmental Revenue	162,101	0	28,176
General Service Charges	155,361	189,590	227,140
Miscellaneous Revenue	455,896	450,550	442,968
Interfund Revenue Transfers	203,237	5,378	2,557
TOTAL REVENUES	<u>\$ 2,211,154</u>	<u>1,785,507</u>	<u>1,646,143</u>

NOTES

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POLICE—ADMINISTRATION

PROGRAM SUMMARY

PROGRAM MANAGER—POLICE CHIEF

PROGRAM MISSION STATEMENT

To provide leadership and direction essential for operational effectiveness.

PROGRAM FUNCTIONS

- Promote a sense of security through comprehensive and proactive prevention programs, apprehend and prosecute criminals and respond timely and professionally to requests for police service.
- Develop a philosophy and provide leadership, management and direction to ensure fair and competent police services.
- Investigate citizen complaints.
- Maintain discipline, recognize exemplary performance and set standards.
- Oversee the use of resources and ensure efficiency and effectiveness.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Continue transition of the department into community policing philosophies and strategies.
- Continue to enhance programs to improve communication with the community.
- Continue work planning to focus organizational direction and work activities and provide accountability.
- Continue programs to improve internal communications and coordination.
- Respond to citizen complaints with timely and credible internal investigations.

MAJOR PROGRAM CHANGES

- General Operating Fund:

Critical Functions Audit

\$7,500

Provides funding for a critical functions audit as planned in conjunction with the elimination of the accreditation program in the Fiscal Year 2004-05 budget. *Provides for compliance audit to industry standard and ensured Police professionalism.*

LP/BUD
LHP-305-02^

**POLICE - ADMINISTRATION
PROGRAM SUMMARY**

<u>POSITIONS</u>	<u>2003-04 ADJUSTED</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Police Chief	1	1	1
Police Lieutenant	1	0 *1	0
Police Sergeant	1	1	1
Community Information Officer	1	1	1
Community Services Officer	1	1	1
Senior Administrative Analyst	0.60	0.60	0.60
Crime Analyst	1	1	1
Police Assistant III	0.50	0.50	0.50
Executive Assistant	1	1	1
Office Assistant III	2	2	2
Total Permanent	10.10	9.10	9.10
Total Part-Time Hourly	0.11	0.11	0 *2
TOTAL POSITIONS	10.21	9.21	9.10

*1 Elimination of one Police Lieutenant position.

*2 Eliminated hours.

<u>EXPENDITURE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries Wages and Benefits	\$ 1,152,903	1,043,064	1,108,641
Supplies and Other Services	197,825	146,704	145,456
Capital Outlay	0	0	30,000
Interfund Expenditures	33,582	43,900	48,400
TOTAL EXPENDITURES	\$ 1,384,310	1,233,668	1,332,497

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Licenses and Permits	\$ 38,015	47,902	46,602
Fines & Forfeitures	59,710	75,000	75,000
State Intergovernmental Revenue	1,164	0	0
Federal Intergovernmental Revenue	12,128	0	0
General Service Charges	38,227	43,610	43,610
Miscellaneous Revenue	8,806	1,000	1,000
Interfund Revenue Transfer	10,000	0	0
TOTAL REVENUES	\$ 168,050	167,512	166,212

**POLICE - ADMINISTRATION
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 848,787	782,466	805,394
Wages	46,072	6,564	0
Benefits	258,044	254,034	303,247
	<u>\$ 1,152,903</u>	<u>1,043,064</u>	<u>1,108,641</u>
<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 70,769	65,500	65,500
Maintenance and Operations	3,204	2,500	500
Utilities	61,695	0	0
Professional/Technical Svcs	16,518	23,735	33,235 *2
Other Expenses	45,639	54,969	46,221
	<u>\$ 197,825</u>	<u>146,704 *1</u>	<u>145,456 *3</u>

*1 Includes decreased fundings of \$7,800 for CALEA reaccreditation and annual fee and \$4,000 for miscellaneous items. Also includes reallocation of budget between programs within the department.

*2 Includes increased funding of \$7,500 for a critical functions audit.

*3 Includes reallocation of budget to the Support Services Program.

POLICE—FIELD OPERATIONS PROGRAM SUMMARY

PROGRAM MANAGER—FIELD OPERATIONS CAPTAIN

PROGRAM MISSION STATEMENT

Work cooperatively with the community, City and other criminal justice agencies to provide services that protect and enhance community safety through timely response to calls for service and proactive prevention and enforcement activities.

PROGRAM FUNCTIONS

- Work cooperatively with the community, City and other criminal justice agencies in order to protect life and property.
- Provide uniformed police services and patrols to the community.
- Respond to calls for service in a timely manner.
- Investigate crime and unusual incidents, and prepare criminal cases for prosecution.
- Self-initiate activity to prevent crime and apprehend law violators.
- Provide traffic safety and enforcement activities.
- Support community outreach and crime prevention activities.
- Plan for police needs at special events.
- Coordinate prevention and outreach efforts for youth and schools.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Continue to develop partnerships with members of the community as well as organizations in the community to make a positive impact on issues related to quality of life.
- Provide clear communications and information-sharing within the organization as well as fostering a two-way flow of information with the community.
- Provide mentoring and training to career-oriented individuals within the organization to prepare them to assume increased responsibilities and leadership roles.
- Proactively serve/attempt to serve arrest/bench warrants.

POLICE—FIELD OPERATIONS PROGRAM SUMMARY

MAJOR PROGRAM CHANGES

- General Operating Fund:

Community Services Officer Position (1.0) (\$80,900)

Eliminates one Community Services Officer position. *Shifts duties to other Community Services Officers working in the Field Operations Division.*

Wildlife Rescue (\$14,800)

Eliminates funding of the wildlife rescue contract with a nonprofit agency. *Shifts workload to Palo Alto Animal Control.*

Reserve Wages \$20,000

Increases funding for Reserve wages to allow 30 Reserve Officers to attend required safety and Peace Officers Standards Training (POST) training. *Maintains desired level of service.*

Supplemental Law Enforcement Services Grant \$14,200

Shifts a portion of a Police Officer position to the General Operating Fund due to declining grant funding. The City has received a State grant to provide additional front-line law enforcement services for several years. The original grant amount was sufficient to fund two Police Officers. Since Fiscal Year 2001-02, the grant has diminished while the cost of Police Officers has risen, requiring 1.20 of the original 2.0 Police Officer positions to be shifted to the General Operating Fund. The estimated grant funding for this fiscal year covers approximately 70.0 percent of the cost of one Police Officer position; therefore, this amount represents the shift of an additional 10.0 percent of a Police Officer position to the General Operating Fund. *Maintains desired level of service.*

- General Fund Reserve:

Three Police Officer Overhires (one-time expenditures) \$238,000

Continues limited-time funding for three Police Officer overhire positions (funded at 50 percent per position). It can take up to one year from the time of a position vacancy to place a sworn Officer on the street due to the lead time necessary to hire and train a new Officer. An overhire position allows staff to anticipate a vacancy and start the hiring and training process before a position actually becomes vacant. *Maintains desired level of service.*

LP/BUD
LHP-305-03^

**POLICE - FIELD OPERATIONS
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Police Captain	1	1	1
Police Lieutenant	3	3	3
Police Sergeant	9	8 *1	7 *4
Police Agent	6	6	6
Police Officer	53	54 *1	53 *4
Police Officer (Overhire)	3	3	3
Community Services Officer	7	7	6 *5
Systems Specialist	1	0 *2	0
Property and Evidence Specialist	1	0 *2	0
Police Assistant III	0.50	0.50	0.50
Total Permanent	84.50	82.50	79.50
Total Part-Time Hourly	1.44	0.48 *3	0.48
TOTAL POSITIONS	85.94	82.98	79.98

*1 Transferred one Police Sergeant position to and One Police Officer position from the Investigative Services Program.

*2 Transferred the Systems Specialist position and Property and Evidence Specialist position to the Support Services Program.

*3 Eliminated hours.

*4 Transferred one Police Sergeant position and one Police Officer position to the Investigative Services Program.

*5 Eliminated one Community Services Officer position.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 10,664,368	11,709,543	11,998,881
Supplies and Other Services	821,951	681,377	633,778
Capital Outlay	75,656	0	112,000
Interfund Expenditures	469,462	408,000	424,700
TOTAL EXPENDITURES	\$ 12,031,437	12,798,920	13,169,359

**POLICE - FIELD OPERATIONS
PROGRAM SUMMARY**

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Fines & Forfeitures	\$ 509,938	575,540	535,000
State Intergovernmental Revenue	202,662	99,447	100,000
Federal Intergovernmental Revenue	149,973	0	0
General Service Charges	78,266	108,730	144,730
Miscellaneous Revenue	397,630	426,000	416,000
Interfund Revenue Transfer	193,237	0	0
TOTAL REVENUES	\$ 1,531,706	1,209,717	1,195,730

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 8,015,123	8,723,735 *1	8,858,075 *2
Wages	77,826	39,590	68,390 *3
Benefits	2,571,419	2,946,218	3,072,416
	\$ 10,664,368	11,709,543	11,998,881

*1 Includes one-time funding of \$183,900 for Police Officer Overhires.

*2 Includes one-time funding of \$238,000 for Police Officer Overhires.

*3 Includes increased funding of \$20,000 for Reserve wages.

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 177,990	56,580	56,580
Maintenance and Operations	47,207	6,047	26,047
Utilities	819	0	0
Professional/Technical Svcs	529,265	534,226	466,627 *2
Other Expenses	66,670	84,524	84,524
	\$ 821,951	681,377 *1	633,778 *3

*1 Includes reallocation of budget between programs in the department.

*2 Includes decreased funding of \$14,800 for wildlife rescue.

*3 Includes reallocation of budget to the Support Services Program.

POLICE—INVESTIGATIVE SERVICES PROGRAM SUMMARY

PROGRAM MANAGER—INVESTIGATIVE SERVICES CAPTAIN

PROGRAM MISSION STATEMENT

To provide support for the overall mission of the Police Department with emphasis toward the investigation of crime, prevention and suppression of crime, homeland security, personnel services, dissemination of information and data and enhanced communication with the community.

PROGRAM FUNCTIONS

- Recruit, select, train and retain highly qualified personnel representing the diversity of the Mountain View community.
- Support Field Operations by providing resources for follow-up investigations of crime and unusual incidents, and prepare criminal cases for prosecution.
- Provide field evidence response and scene processing capabilities.
- Work cooperatively to support local, regional, State-wide and national homeland security efforts.
- Track crime trends and criminal events.
- Enhance communication within the department, City and community.
- Plan and implement continued professional training.
- Cooperatively manage the recruitment and selection processes for department personnel.
- Proactively provide suppression efforts for crime problems.
- Support community outreach and crime prevention activities.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Maintain aggressive outreach programs for all levels of the organization to attract a diverse pool of Police candidates in order to continue improving organizational diversity.
- Develop sound capability to handle homeland security issues.
- Increase attention on sex offender registrants to ensure compliance and prompt enforcement action on those who are not in compliance.
- Rely on non-sworn and volunteer personnel to initiate prompt follow-up contact with crime victims.
- Pursue significant narcotic offenders.

**POLICE—INVESTIGATIVE SERVICES
PROGRAM SUMMARY**

MAJOR PROGRAM CHANGES

- General Fund Reserve:

Personal Mask Testing (one-time expenditure)

\$11,700

Provides one-time funding for initial testing and training of personal gas masks. This is a new OSHA requirement and the amount represents funding for 130 Officers. The cost for ongoing training will need to be added to the budget in Fiscal Year 2006-07 and is estimated to be \$8,000. *Maintains desired level of service.*

LP/BUD

LHP-305-06^

**POLICE - INVESTIGATIVE SERVICES
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Police Captain	1	1	1
Police Lieutenant	1	1	1
Police Sergeant	3	4 *2	5 *5
Police Officer	14	13 *2	14 *5
Community Services Officer	1	1	1
Police Records Supervisor	1	0 *3	0
Senior Administrative Analyst	1	0 *3	0
Lead Police Records Specialist	2	0 *3	0
Police Records Specialist	11	0 *3	0
Police Records Specialist Overhire	1 *1	0 *1	0
Police Assistant III	1.50	0.50 *4	0.50
Police Assistant I/II	0.50	0.50	0.50
Secretary	1	1	1
Total Permanent	39	22	24
Total Part-Time Hourly	0.58	0.10 *3	0.10
TOTAL POSITIONS	39.58	22.10	24.10

*1 Added one Police Records Specialist Overhire for FY 2003-04; Eliminated in FY 2004-05.

*2 Transferred one Police Sergeant position from and one Police Officer position to the Field Operations Program.

*3 Transferred positions and hours to the Support Services Program

*4 Eliminated 0.50 Police Assistant III position and transferred 0.50 to the Support Services Program.

*5 Transferred one Police Sergeant position and one Police Officer position from the Field Operations Program.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 4,158,907	3,163,824	3,638,772
Supplies and Other Services	485,895	351,545	352,915
Capital Outlay	0	22,500	17,500
Interfund Expenditures	46,829	38,700	40,700
TOTAL EXPENDITURES	\$ 4,691,631	3,576,569	4,049,887

**POLICE - INVESTIGATIVE SERVICES
PROGRAM SUMMARY**

<u>REVENUE SUMMARY</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
General Licenses & Permits	\$ 5,651	0	0
Local Intergovernmental Revenue	247,720	185,000	185,000
State Intergovernmental Revenue	153,636	0	0
General Service Charges	38,868	0	0
Miscellaneous Revenue	20,234	0	0
TOTAL REVENUES	<u>\$ 466,109</u>	<u>185,000</u>	<u>185,000</u>

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 3,160,365	2,341,624	2,657,513
Wages	60,537	5,214	5,361
Benefits	938,005	816,986	975,898
	<u>\$ 4,158,907</u>	<u>3,163,824</u>	<u>3,638,772</u>

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 62,650	144,053	144,053
Maintenance and Operations	5,565	9,681	9,681
Utilities	21,220	0	0
Professional/Technical Svcs	321,247	126,181	115,851
Other Expenses	75,213	71,630	83,330 *2
	<u>\$ 485,895</u>	<u>351,545 *1</u>	<u>352,915 *3</u>

*1 Includes reallocation of budget between programs in the department.

*2 Includes one-time funding of \$11,700 for personal mask testing.

*3 Includes reallocation of budget to the Support Services Program.

NOTES

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POLICE—SUPPORT SERVICES PROGRAM SUMMARY

PROGRAM MANAGER—POLICE SUPPORT SERVICES MANAGER

PROGRAM MISSION STATEMENT

To provide support for the overall mission of the Police Department by supporting divisions with an emphasis towards records management, property and evidence maintenance, fiscal responsibility and additionally to translate citizen 9-1-1 and nonemergency telephone service requests into the appropriate action and dispatch emergency services via telephone, radio and/or data communications.

PROGRAM FUNCTIONS

- Maintain support services functions to fulfill responsibilities related to systems technologies, records, warrants and property and evidence.
- Provide communication services to the community for police, fire and medical emergencies.
- Maintain radio and data communications for Police, Fire, after-hours Public Services and contract dispatch services.
- Communicate the citizens' needs in an expedient manner for public safety emergency and nonemergency services.
- Maintain public safety records for citizens and for management information.
- Maintain a professional level of readiness for Public Safety Dispatch staff to handle emergencies as they arise.
- Provide prearrival medical instructions to the public.
- Work cooperatively with other divisions to seek grants to enhance Police services.
- Support field operations and investigative services with report processing and retention.
- Process citizens' request for Police services through contacts at the front counter.

MAJOR PROGRAM GOALS/STRATEGIES FOR FISCAL YEAR 2005-06

- Replace current computer-aided dispatch, records and management information systems.
- Streamline property and evidence storage retention and purging.
- Conduct an emergency communications assessment of emergency medical dispatch.
- Streamline records processing and retention.

POLICE—SUPPORT SERVICES PROGRAM SUMMARY

MAJOR PROGRAM CHANGES

- General Operating Fund:

Police Records Specialist Position (1.0) (\$60,000)

Eliminates one Police Records Specialist position. Total reduction is partially offset by an upward reclassification of a Public Safety Dispatcher position for a net reduction of \$60,000. *Transfers workload to existing staff and may delay delivery of some records requests and services.*

Police Assistant Position (0.5) (\$34,800)

Eliminates one of five permanent half-time Police Assistant positions. The department will handle this reduction through a reorganization of Police Assistants. *Shifts workload to remaining positions.*

Hourly Office Assistant (\$27,100)

Eliminates the hourly Office Assistant position. This position currently supports personnel time tracking, time card entry and reporting functions of the department. The department is exploring software alternatives with assistance from Finance and Information Technology to mitigate the need for this position. Funding will be appropriated in the Budget Transition Reserve as the department transitions to an automated personnel time reporting management system. *Utilizes technology efficiencies to streamline workload.*

Local Law Enforcement Block Grant (now Justice Assistance Grant) \$81,500

Shifts a portion of the Systems Specialist position due to declining grant funding. Originally, the grant was sufficient to fund this position plus miscellaneous training and capital expenses. Estimated grant funding for Fiscal Year 2005-06 will only cover approximately 25.0 percent of the position. This amount represents the transfer of 75.0 percent of the position to the General Operating Fund. *Maintains desired level of service.*

Hardware/Software Maintenance \$4,800

Provides for annual increase in contract services to support hardware and software of Mobile Data Terminals. *Maintains desired level of service.*

- General Fund Reserve:

One Dispatcher Overhire (one-time expenditures) \$105,100

Provides limited term funding to cover staff on maternity leave. The Dispatcher function is critical and loss of staff for an extended period of time incurs excessive overtime and places burdens on other staff. *Maintains desired level of service.*

POLICE—SUPPORT SERVICES PROGRAM SUMMARY

Grant Matching Funds (one-time expenditure)

\$2,600

Provides matching funds to the Local Law Enforcement Block Grant (now Justice Assistance Grant). This grant will be used to fund .25 of a Systems Specialist position and requires a 10.0 percent match by the City. Council approved the Systems Specialist position during the 2000-01 fiscal year. *Maintains desired level of service.*

LM/BUD
LHP-305-07^

**POLICE - SUPPORT SERVICES
PROGRAM SUMMARY**

POSITIONS	2003-04 ADJUSTED	2004-05 ADOPTED	2005-06 ADOPTED
Police Support Services Manager	1	1	1
Principal Systems Specialist	1	1	1
Communications Operations Supervisor	0	0	1 *3
Lead Public Safety Dispatcher	4	4	4
Public Safety Dispatcher	11	11	10 *3
Systems Specialist	0	1 *1	1
Police Records Supervisor	0	1 *2	1
Senior Administrative Analyst	0	1 *2	1
Lead Police Records Specialist	0	2 *2	2
Police Records Specialist	0	11 *2	10 *4
Property and Evidence Specialist	0	1 *1	1
Police Assistant III	0	0.50 *2	0 *4
Total Permanent	17	34.50	33
Total Part-Time Hourly	0.42	0.90 *2	0.42 *4
TOTAL POSITIONS	17.42	35.40	33.42

*1 Transferred positions from the Field Operations Program.

*2 Transferred positions and hours from the Investigative Services Program.

*3 Reclassification of a Public Safety Dispatcher position to Communications Operations Supervisor.

*4 Eliminated one Police Records Specialist position, 0.50 Police Assistant position and some hours.

EXPENDITURE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
Salaries Wages and Benefits	\$ 1,746,977	3,397,552	3,622,761
Supplies and Other Services	321,455	799,771	846,647
Capital Outlay	3,325	0	47,500
Interfund Expenditures	3,603	18,800	14,500
TOTAL EXPENDITURES	\$ 2,075,360	4,216,123	4,531,408

REVENUE SUMMARY	2003-04 ACTUAL	2004-05 ADOPTED	2005-06 ADOPTED
General Licenses & Permits	\$ 0	3,700	3,700
State Intergovernmental Revenue	16,063	153,400	0
Federal Intergovernmental Revenue	0	0	28,176
General Service Charges	0	37,250	38,800
Miscellaneous Revenue	29,226	23,550	25,968
Interfund Revenue Transfers	0	5,378	2,557
TOTAL REVENUES	\$ 45,289	223,278	99,201

**POLICE - SUPPORT SERVICES
PROGRAM SUMMARY**

DETAILED EXPENDITURES

<u>PERSONNEL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Salaries	\$ 1,375,434	2,674,893	2,791,910 *1
Wages	63,136	53,725	33,870
Benefits	308,407	668,934	796,981
	<u>\$ 1,746,977</u>	<u>3,397,552</u>	<u>3,622,761</u>

*1 Includes one-time funding of \$105,100 for one Dispatch Overhire.

<u>SUPPLIES AND SERVICES</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 ADOPTED</u>	<u>2005-06 ADOPTED</u>
Materials and Supplies	\$ 14,792	30,300	38,125
Maintenance and Operations	173,225	30,217	218,021 *4
Utilities	112,157	198,188	200,088
Professional/Technical Svcs	8,474	489,923 *1	350,666
Other Expenses	12,807	51,143 *2	39,747 *5
	<u>\$ 321,455</u>	<u>799,771 *3</u>	<u>846,647 *6</u>

*1 Includes increased funding of \$10,000 for Data 911 contract.

*2 Includes one-time fundings of \$7,000 for property and evidence audit and \$5,400 for grant matching funds.

*3 Includes reallocation of budget between programs in the department.

*4 Includes increased funding of \$4,800 for hardware/software maintenance.

*5 Includes one-time funding of \$2,600 for grant matching funds.

*6 Includes reallocation of budget from other programs.

NOTES
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CITY OF MOUNTAIN VIEW, CALIFORNIA COMMUNITY PROFILE

The City of the Mountain View's mission is to provide quality services and facilities that meet the needs of a caring and diverse community in a financially responsible manner.

History

Once covered in orchards and vineyards, Mountain View began as a stagecoach stop and an agricultural center for the lush Santa Clara Valley. The town was incorporated in 1902 with a population of fewer than 1,000 people. After World War II, The City's population exploded with the growth of the electronic and aerospace industries.

Today, Mountain View is a modern, high-tech city. While Mountain View is keeping pace with new ideas and innovations, the City is also committed to the traditional values of strong neighborhoods and citizen involvement. Mountain View is made up of a variety of distinct, locally organized neighborhood and homeowners associations that help identify our community's needs and shape the City's future.

In recent years, the City of Mountain View has developed some of the finest recreation facilities the Bay Area has to offer. The City's extensive City park system not only provides an outstanding array of neighborhood parks, but also includes an innovative regional park created from reclaimed landfill. Shoreline-at-Mountain View Park, built along San Francisco Bay, features an 18-hole golf course, a sailing lake and a wild life interpretive trail. The Civic Center, built around downtown's Pioneer Park, has one of the finest theater facilities in Northern California as well as a new, 60,000 square foot state-of-the-art library.

Downtown Mountain View is the "heartbeat" of the city. This vibrant and active center offers restaurants, shops, theater, sidewalk cafes, and the civic center. Downtown Mountain View is known for its activities—festivals, parades, cultural events, the weekly farmers' market, free concerts, and a variety of unique celebrations throughout the year. Thousands of people each year come to downtown Mountain View to enjoy the events, and the character of downtown keeps them coming back.

City Government

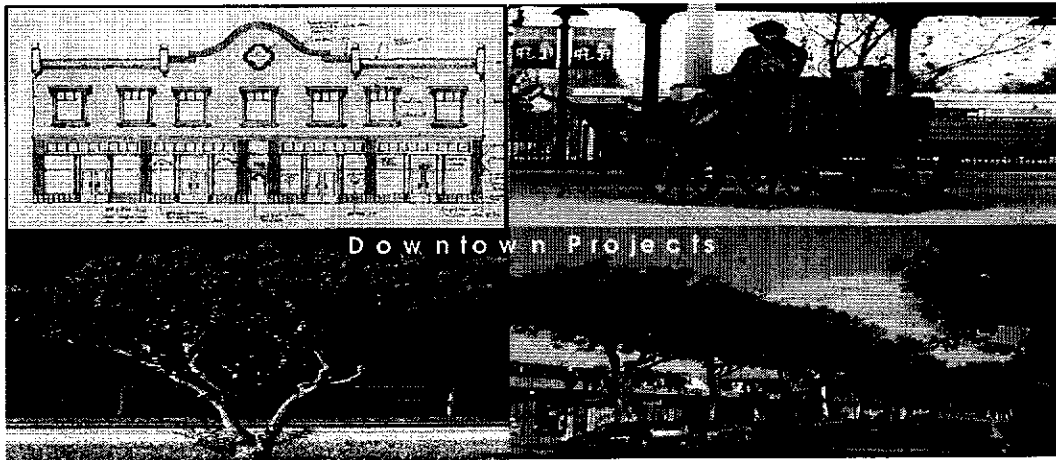
The City of Mountain View is a charter city incorporated on November 7, 1902. The City operates under a council-manager form of government. The seven council members are elected at large for four-year terms that are staggered so three or four seats are filled at the general municipal election in November of every even-numbered year. Service on the Council is limited to two consecutive terms. Each year in January, the Council elects one of its members as Mayor and another as Vice-Mayor. The Council is the legislative body of the City, sets policy and directs the City's course.

**CITY OF MOUNTAIN VIEW, CALIFORNIA
COMMUNITY PROFILE
(Continued)**



Parking Structure

Construction is scheduled to begin on the city's second downtown parking structure. It is a three story, four level, above ground structure with retail use on the ground level. City Council has approved leasing the retail space to Longs Drugs.



Downtown Projects

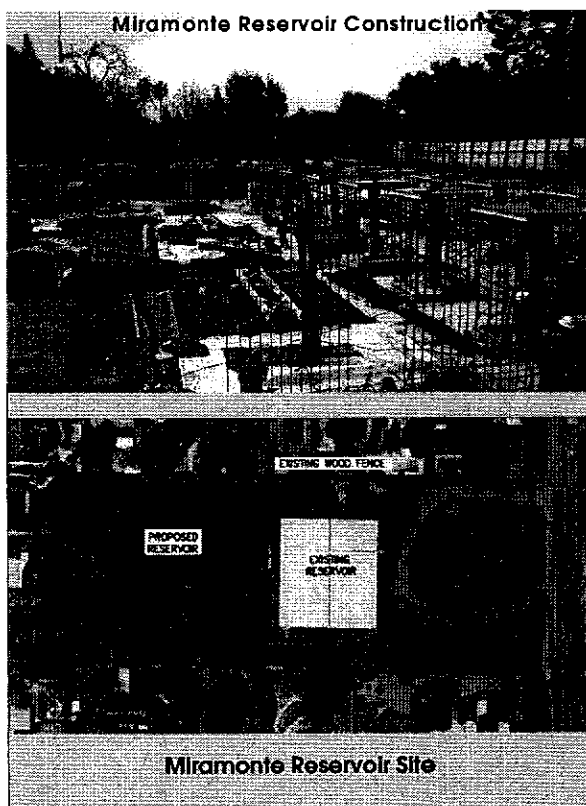
Several downtown improvement projects are in progress. In addition to the parking structure, street trees on Castro Street are being replaced due to damage and disease. Other items such as aging trash receptacles are also being replaced.

**CITY OF MOUNTAIN VIEW, CALIFORNIA
COMMUNITY PROFILE
(Continued)**



Drinking Water Reservoirs

The City Council authorized the construction contract for a new reservoir at the Graham school site. In cooperation with the Mountain View School District, the new eight million gallon reservoir will be constructed below ground. The City will also construct and maintain playing field improvements above the reservoir for the benefit of the District and the local community.



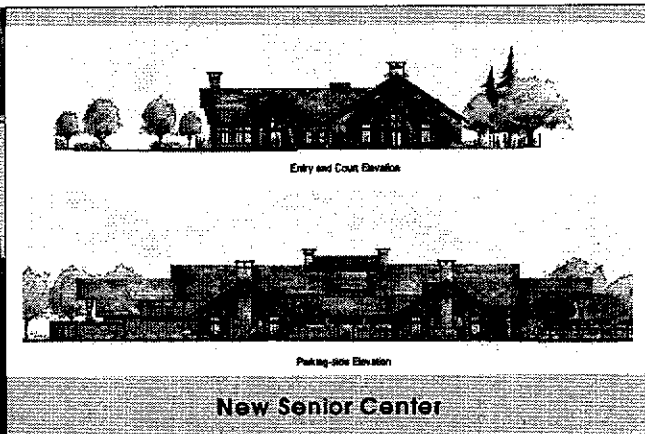
The Council also authorized constructing a new drinking water storage reservoir to be placed behind the existing reservoir at the Miramonte site. This will expand the City's storage capacity by 2.3 million gallons bringing the City's total storage capacity to approximately 13.0 million gallons. This storage volume is in line with the City's water master plan to provide balanced water supply/storage capacity to meet operational, emergency, and fire fighting requirements.

**CITY OF MOUNTAIN VIEW, CALIFORNIA
COMMUNITY PROFILE
(Continued)**

Shoreline Golf Links Pro Shop

The City of Mountain View began construction of a new pro shop and golf car storage facility at Shoreline Golf Links. The City anticipates construction to be complete by the end of 2005. The expanded facility will provide for a more efficient pro shop area and expanded storage and charging facilities for the conversion from gasoline to electric powered golf cars.

Shoreline Golf Pro Shop – Rendering and Construction



Senior Center

On June 14, 2005 the City Council awarded a construction contract for the new Senior Center, and the Mayor will preside over the groundbreaking ceremony on July 14, 2005. The Center is scheduled to open in October 2006, at which time the interim Senior Center, which has housed the program since 2003, will be removed from the site. All site work, including the garden, is scheduled to be completed December 2006

**CITY OF MOUNTAIN VIEW, CALIFORNIA
COMMUNITY PROFILE
(Continued)**



El Camino Hospital - Current Design

Community Project

The City is home to El Camino Hospital which has submitted plans to replace most of the buildings on the site with a modern facility.



El Camino Hospital - Proposed New Design

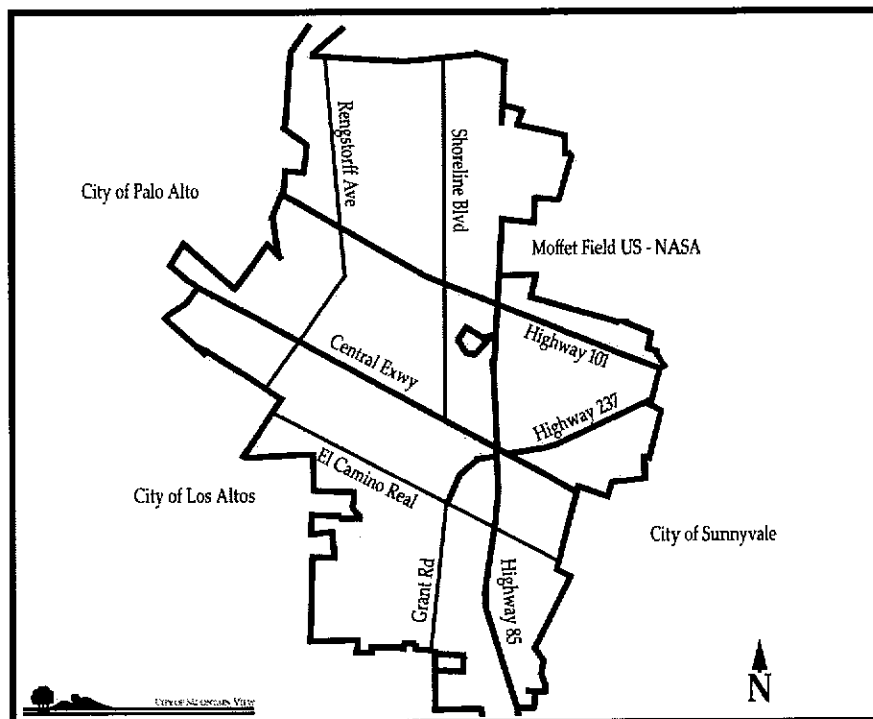
Recreation

The City enjoys many recreational facilities including operation of an eighteen-hole golf course, a 644-acre regional park with a boathouse and a sailing lake, and an outdoor amphitheater which seats 25,000. Through the Recreation department, the City provides an opportunity for community members to meet a portion of their recreation and social needs, introduce and develop leisure skills, promote healthy lifestyles and stimulate community involvement and pride. Activities, classes and events are held at Cuesta and Rengstorff District Parks, Crittenden and McKelvey Athletic Parks, Deer Hollow Farm, the Mountain View Sports Pavilion, the Whisman Sports Center, the Community Center, the Senior Center, Eagle and Rengstorff Pools and various other park areas and school sites.

CITY OF MOUNTAIN VIEW, CALIFORNIA COMMUNITY PROFILE (Continued)

Location

Located in the heart of Silicon Valley, the City occupies approximately 12 square miles and is approximately 36 miles southeast of the City of San Francisco and 15 miles northwest of the City of San Jose (the County seat).



Climate

The climate is mild. The average temperatures during the summer months are in the mid-70's while during the winter they are in the high 50's. Rand McNally ranks Mountain View's climate the eighth most desirable of 329 metropolitan areas.

**CITY OF MOUNTAIN VIEW, CALIFORNIA
COMMUNITY PROFILE
(Continued)**

Transportation

Several major freeways and roads run through the City: U.S. Highway 101, California State Highway 85, Route 237, California State Highway 82 (known as El Camino Real) and Central Expressway. The City is also conveniently located near Interstate Highway 280. The City is bisected by CalTrain and is the northwest terminus of the County's Light Rail System. The City has also been chosen as a stop for the CalTrain baby bullet which began service this summer. San Francisco International Airport is located 25 miles north of the City and San Jose International Airport is located 15 miles to the south.

Land Use Distribution

	<u>Estimated Total Acres</u>	<u>Percent of Total</u>
Residential	3,600	47%
Commercial	870	11%
Industrial	1,400	18%
Other	1,750	23%
Vacant	20	<1%

Housing

There are a total of 32,987 housing units in the City of Mountain View. The median housing value for a single-family home is \$900,000 and for a condo/townhouse it is \$520,000. There are 13,175 (40%) owner occupied housing units and 19,812 (60%) renter occupied housing units. The vacancy rate is 3.67%.

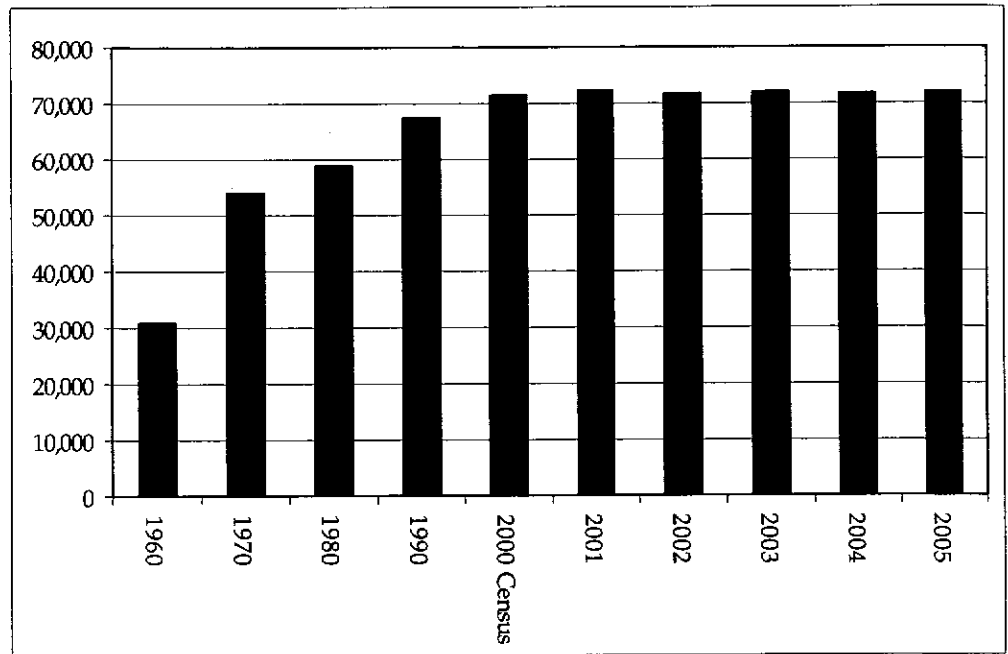
2000 Census, Percent of All Units:

Apartments	54%	Duplex	2%
Single Family Detached	28%	Mobile Homes	4%
Townhomes & Condominiums	12%		

**CITY OF MOUNTAIN VIEW, CALIFORNIA
COMMUNITY PROFILE
(Continued)**

Population

1960.....30,889
1970.....54,132
1980.....58,722
1990.....67,460
2000....71,369
2001....72,242
2002....71,610
2003....72,000
2004....71,600
2005....72,033



Sources: California State Department of Finance

2000 Census, Population Breakdown:

55.2%	Caucasian
20.5%	Asian
18.3%	Hispanic
2.5%	African American
0.2%	American Indian
0.2%	Pacific Islander
3.0%	Two or More Ethnicities

2000 Census, Age Distribution:

0-5	6.0%
6-19	13.5%
20-24	6.7%
25-34	24.6%
35-44	18.8%
45-54	12.6%
55-64	7.3%
65+	10.6%

**CITY OF MOUNTAIN VIEW, CALIFORNIA
COMMUNITY PROFILE
(Continued)**

Major Employers

<u>Employer</u>	<u>Type of Business</u>
Acuson Corporation	Diagnostic Imaging Systems
El Camino Hospital	Health Services
General Dynamics Electronic Systems	Electronics
Google	Software
Intuit Corporation	Financial Software
Johnson & Johnson Alza Corporation	Pharmaceutical
KPMG	Consulting & Tax Services
Microsoft Corporation	Software
Mercury Interactive	Software
Silicon Graphics, Inc.	Graphic Workstations
Synopsys, Inc.	Chip Development Software & Services
Veritas Software Global Corporation	Software
Verisign	Software

Financial Status

FY2005-06		Adopted	Adopted	Adopted
		General Fund	General Fund	Total
<u>City</u>	<u>Population *</u>	<u>Revenues</u>	<u>Appropriations</u>	<u>Budget**</u>
Cupertino	53,452	\$ 33,599,000	\$ 34,143,000	\$ 48,338,000
Los Altos	27,614	23,100,000	21,585,000	29,169,000
Milpitas	64,998	67,484,000	67,484,000	96,197,000
Mountain View	72,033	76,779,000	75,399,000	177,667,000
Palo Alto	61,674	120,729,000	120,692,000	363,239,000
San Jose ***	944,857	745,349,000	745,349,000	2,348,811,000
Santa Clara	109,106	117,133,000	119,241,000	402,236,000
Sunnyvale	133,086	96,657,000	106,017,000	226,819,000

Source: Revenues, Appropriations and Budget obtained from respective cities

* Estimates as of 1/1/05, obtained from the California State Department of Finance.

** Amounts exclude transfers

*** Proposed numbers (Adopted numbers not available).

FULL-TIME AND PERMANENT PART-TIME POSITION ALLOCATION

	ADJUSTED <u>2003-04</u>	ADOPTED <u>2004-05</u>	ADOPTED <u>2005-06</u>	<u>CHANGE</u>
<u>GENERAL FUND</u>				
CITY COUNCIL	7.00	7.00	7.00	
CITY CLERK	4.00	4.00	4.00	
CITY ATTORNEY	8.00	8.00	8.00	
CITY MANAGER	7.00	7.00	6.00	-1.00 (a)
EMPLOYEE SERVICES	8.00	8.00	8.00	
FINANCE AND ADMIN SRVCS	36.50	34.75	34.25	-0.50 (b)
COMMUNITY DEVELOPMENT	22.50	22.30	23.30	+1.00 (c)
PUBLIC WORKS	46.42	45.13	44.59	-0.54 (d)
COMMUNITY SERVICES	73.15	72.40	72.40	+0.00 (e)
LIBRARY SERVICES	37.25	34.75	34.00	-0.75 (f)
FIRE	79.85	78.85	78.85	
POLICE	144.40	143.30	141.90	-1.40 (g)
	<u>474.07</u>	<u>465.48</u>	<u>462.29</u>	<u>-3.19</u>
<u>OTHER FUNDS</u>				
CITY MANAGER				
SHORELINE REGIONAL PARK COMMUNITY	0.40	0.40	0.40	
FINANCE AND ADMIN SRVCS				
WATER	2.00	2.75	2.75	
COMMUNITY DEVELOPMENT				
SHORELINE REGIONAL PARK COMMUNITY	1.25	1.25	1.25	
CDBG/BMR	1.70	1.70	1.70	
REVITALIZATION/PARKING	0.55	0.75	0.75	
PUBLIC WORKS				
SHORELINE REGIONAL PARK COMMUNITY	1.63	1.63	2.13	+0.50 (h)
WATER	34.72	34.06	34.32	+0.26 (i)
WASTEWATER	13.85	14.00	14.28	+0.28 (j)
SOLID WASTE MANAGEMENT	16.38	16.03	16.03	
EQUIPMENT MAINTENANCE	10.00	10.15	9.15	-1.00 (k)
COMMUNITY SERVICES				
SHORELINE PARK	9.10	9.10	9.10	
SHORELINE GOLF LINKS	22.25	21.25	20.50	-0.75 (l)
FIRE				
WASTEWATER	6.65	6.65	6.65	
POLICE				
GENERAL FUND RESERVE	4.00	3.00	3.00	
SUPPLEMENTAL LAW ENFORCEMENT SRVCS	1.20	0.80	0.70	-0.10 (m)
LOCAL LAW ENFORCEMENT BLOCK GRANT	1.00	1.00	0.00	-1.00 (n)
	<u>126.68</u>	<u>124.52</u>	<u>122.71</u>	<u>-1.81</u>
TOTAL EMPLOYEES	<u>600.75</u>	<u>590.00</u>	<u>585.00</u>	<u>-5.00</u>
CHANGE FROM PRIOR YEAR	-46.00	-10.75	-5.00	

FULL-TIME AND PERMANENT PART-TIME POSITION ALLOCATION

(Continued)

Notes:

- a. Includes the elimination of 1.0 Office Assistant III position.
- b. Includes the elimination of 0.50 Account Clerk I/II position.
- c. Includes the elimination of 0.50 Office Assistant III position. Also includes the addition of 0.32 of a Heavy Equipment Specialist position and the transfer of 0.36 Streets Maintenance Worker I/II position to the Water and Wastewater Funds.
- d. Includes the elimination of 0.25 Performing Arts Booking Coordinator position. Also includes the addition of 0.25 Recreation Coordinator position.
- e. Includes the mid-year elimination of 1.0 Library Assistant III position and mid-year addition of 0.75 Librarian I/II position. Also includes the elimination of 0.50 Library Assistant I/II position.
- f. Includes the elimination of 1.0 Community Services Officer, 1.0 Police Records Specialist and 0.50 Police Assistant III positions. Also includes the transfer of 0.10 Police Officer position from the Supplemental Law Enforcement Services (COPS) Grant Fund and 1.0 Systems Specialist position from the Local Law Enforcement Block Grant Fund.
- g. Includes the addition of 0.50 Heavy Equipment Specialist position.
- h. Includes the addition of 0.08 Heavy Equipment Operator position. Also includes the transfer of 0.18 Streets Maintenance Worker I/II position from the General Operating Fund.
- i. Includes the addition of 0.10 Heavy Equipment Operator position. Also includes the transfer of 0.18 Streets Maintenance Worker I/II position from the General Operating Fund.
- j. Includes the elimination of 1.0 Equipment Mechanic I/II position.
- k. Includes the elimination of 0.75 Assistant Golf Pro position.
- l. Includes the transfer of 0.10 Police Officer position to the General Operating Fund.
- m. Includes the transfer of the Systems Specialist position to the General Operating Fund.

**FISCAL YEAR 2005-06
ONE-TIME EXPENDITURES**

General Fund One-Time Expenditures
(To Be Funded From Fiscal Year 2004-05 Carryover)

City Manager's Office:	\$ <u>105,000</u>
Cuesta Park Annex Master Study	55,000
Citizen's Survey	40,000
Modifications for Third-Floor Reception	10,000
Employee Services Department:	<u>50,000</u>
Labor Negotiations	50,000
Finance and Administrative Services Department:	<u>15,000</u>
Cost Allocation/Overhead Plan	15,000
Community Development Department:	<u>33,000</u>
Permanently Install Stained Glass City Seal	15,000
Historic Preservation Contract Preparation (Rebudget)	10,000
DRC: Architectural Review Services	8,000
Public Works Department:	<u>10,100</u>
VTA Landscaping for the Recycling Center	10,100
Community Services Department:	<u>38,700</u>
Recreation Strategic Plan	25,000
Whisman Sports Center Mat Refurbishment	5,200
Preschool Equipment Replacement	5,000
Senior Center Sewing Machines	3,500
Library Services Department:	<u>6,500</u>
Library Centennial Event	5,000
Chair Cleaning	1,500

**FISCAL YEAR 2005-06
ONE-TIME EXPENDITURES
(Continued)**

Fire Department:	\$ <u>66,800</u>
New Hire Costs	32,000
Emergency Medical Services (EMS) Jackets	18,800
Turnout Clothing	16,000
Police Department:	<u>357,400</u>
Three Police Officer Overhires	238,000
One Dispatcher Overhire	105,100
Personal Mask Testing	11,700
Grant Matching Funding	2,600
	<hr/>
Total General Fund One-Time Expenditures	<u>682,500</u>

Other Fund One-Time Expenditures

City Manager's Office:	<u>40,000</u>
<u>Cable Franchise Fund:</u>	
Cable Franchise Renewal (Rebudget Balance)	40,000
Community Development Department:	<u>50,000</u>
<u>Revitalization Authority:</u>	
Retail Recruitment (Rebudget)	35,000
<u>Shoreline Regional Park Community:</u>	
Business Recruitment	15,000
	<hr/>
Total Other Fund One-Time Expenditures	\$ <u>90,000</u>

**FISCAL YEAR 2005-06
FUNDING OF NONPROFIT AGENCIES**

<u>AGENCY</u>	<u>2004-05 Adopted</u>	<u>2005-06 Requested</u>	<u>2005-06 Adopted</u>
<u>General Fund Funded:</u>			
Catholic Charities	\$ 10,122	10,122	0
Community School of Music & Arts Edu. Prog.	15,558	20,000	15,490
CSA - Senior Meals	31,783	33,054	33,054
Health Trust (Meals on Wheels)	2,450	3,900	3,900
Junior Achievement	0	7,000	3,500
MayView Community Health Center	35,401	40,000	36,500
Parents Helping Parents	5,000	5,000	0
Project Sentinal - Fair Housing Services	15,000	15,000	15,000
Rebuilding Together	2,450	10,000	0
Santa Clara Family Health Foundation	0	10,320	10,320
Support Network for Battered Women	32,000	32,000	32,000
Community Health Awareness Council	66,813	73,494	73,494
Project Sentinel	84,214	84,214	84,214
Joint Venture:Silicon Valley	15,000	15,000	15,000
KMVT	70,000	70,000	70,000
Community School of Music & Arts			
Arts in Action	52,259	52,259	52,259
Music in Action	24,800	24,800	24,800
Youth Sports Fee Waiver	8,000	8,000	8,000
General Fund Total	\$ <u>470,850</u>	<u>514,163</u>	<u>477,531</u>
<u>CDBG Funded:</u>			
CSA - Senior Services	\$ 33,879	35,234	35,234
CSA - Emergency Assistance	41,519	45,981	45,981
Plus one-time funding	2,694	0	0
CSA - Alpha Omega Shelter	9,315	9,688	9,688
Emergency Housing Consortium	16,027	23,527	18,786 *
InnVision the Way Home/Clara Mateo Shelter	7,000	7,000	5,590
May View Community Health Center	8,107	8,000	6,388
Project Sentinel - Fair Housing Services	5,000	5,000	3,992
Second Harvest Food Bank	5,764	5,937	4,741
Plus one-time funding	2,695	0	0
Senior Adults Legal Assistance	6,000	6,000	2,930
Social Advocates for Youth	7,500	0	0 *
CDBG Total	\$ <u>145,500</u> Maximum	<u>146,367</u>	<u>133,330</u> Maximum

* Social Advocates for Youth was merged with Emergency Housing Consortium.

**FISCAL YEAR 2005-06
ADOPTED CAPITAL OUTLAY**

General Operating Fund

City Clerk's Office:	\$ <u>12,000</u>
Council Chamber Presentation Equipment	12,000
Finance and Administrative Services Department:	<u>25,800</u>
Postage Machine Replacement (1/2 – shared with Water Fund)	15,000
Computer Room Fire Suppression System (shared with GF Reserve)	10,800
Community Services Department:	<u>30,000</u>
Mobile Concert Stage	10,000
Debris Vacuum	7,100
Teen Center Furniture and Fixtures	4,500
Sod Cutter	4,200
Tuff Shed Storage Unit	4,200
Library Services Department:	<u>43,600</u>
Training Room	21,300
DVD/CD Disk Check and Repair Equipment	10,300
On-Line Patron Registration Software	6,000
Microsoft Office Software	6,000
Fire Department:	<u>33,100</u>
Thermal Imaging Camera	14,100
Training Tower Upgrade and Roof Resurfacing	12,000
Stairclimber and Treadmill Replacement	7,000
Police Department:	<u>55,500</u>
Report Writing Area Renovation	20,000
Payroll/Time Mgt. Software (shared with General Fund Reserve)	18,000
Vehicle Dual Rack Weapons Mount and Weapons	17,500
General Operating Fund Total	\$ <u>200,000</u>

FISCAL YEAR 2005-06
ADOPTED CAPITAL OUTLAY
(Continued)

Non General Operating Fund

City Manager's Office:

Cable:	\$ <u>22,500</u>
Electronic Bulletin Board	8,100
DVD Recording System/Playback Decks	8,400
Council Chamber Document Camera	6,000

Finance and Administrative Services Department:

General Fund Reserve:	<u>129,200</u>
Security Entry (Card Key) System Replacement	115,000
Computer Room Fire Suppression System (shared with General Fund)	14,200
Water Fund:	<u>15,000</u>
Postage Machine Replacement (1/2 – shared with General Fund)	15,000

Public Services Department:

Fleet Services:	<u>30,000</u>
Particulate Matter Filters (Rebudget)	30,000

Community Services Department:

General Fund Reserve:	<u>93,000</u>
Teen Center Building Improvements (Rebudget)	36,000
Green Machine Sweeper	30,000
Community Center Tables and Chairs	27,000
Golf Course Fund:	<u>10,000</u>
Weather Station for Irrigation	10,000
Shoreline Regional Park Community Fund:	<u>28,000</u>
Renovation of 18 th Green	28,000

Library Services Department:

General Fund Reserve:	<u>58,100</u>
Security System Replacement	30,000
Study Tables and Chairs (Rebudget)	15,000
End of Stack Signs (Rebudget)	5,000
Chair Replacement/Repair (Rebudget Balance)	4,600
Construct a Door (Rebudget)	3,500

FISCAL YEAR 2005-06
ADOPTED CAPITAL OUTLAY
(Continued)

Non General Operating Fund (continued)

Police Department:

General Fund Reserve:	<u>151,500</u>
Vehicle Opticom and Lightbar Units	62,000
Fire Tactical Channel	47,500
2 Field Operation Vehicle Upgrades to Light Duty Patrol	30,000
Payroll/Time Mgt Software (shared with General Fund)	12,000

Total Other Funds	<u>537,300</u>
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Total Capital Outlay	<u>\$ 737,300</u>
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**FISCAL YEAR 2005-06
ADOPTED EQUIPMENT REPLACEMENT**

COMPUTERS: \$ 881,100

155	Computers	266,500
1	VLAN Switch – City Hall (rebudget)	104,500
	Miscellaneous Software Licenses	51,900
23	Printers	61,500
1	VLAN Switch – PD/FD (rebudget)	87,000
1	VLAN Switch – MOC (rebudget)	57,000
17	VLAN Switches (1900 & 2900)	52,300
1	VLAN Switch – Library (rebudget)	51,500
1	HP 3000 UBS Server	35,000
1	HP 9000 Ticket Server	30,000
1	PIX Firewall (rebudget)	22,500
3	Servers	20,400
2	Plotters	17,000
2	Scanners	11,000
1	Network Hub	7,000
2	Overhead Display System	6,000

COMPUTER AIDED DISPATCH/RECORDS MANAGEMENT SYSTEM: 396,300

Replacement of CAD/RMS Computer Hardware (\$246,300 Rebudget)	396,300
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COMMUNICATIONS CENTER: 98,500

1	Antenna Villa Street (Rebudget)	50,000
1	Antenna Villa Comb Sys (Rebudget)	40,000
1	Open Space District Base	8,500

FIRE RADIOS: 55,900

13	Mobile Radios (\$34,400 Rebudget for 8)	55,900
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FISCAL YEAR 2005-06
ADOPTED EQUIPMENT REPLACEMENT
(Continued)

FLEET: \$ 896,000

9 Patrol Cars	380,000
6 Hybrid SUVs	180,000
4 Mini Trucks	100,000
2 ¾ Ton Cab/Body	66,000
3 Van	60,000
3 Sedan/Wagon	75,000
1 Motorcycle	20,000
5 Miscellaneous Equipment	15,000

GOLF EQUIPMENT: 22,300

1 ¾ Ton Truck (25%)	8,300
1 Walk Behind Greens Mower	8,000
1 1 Ton Dump Truck (25%)	6,000

TOTAL EQUIPMENT REPLACEMENT \$2,350,100

**FISCAL YEAR 2005-06
ADOPTED CAPITAL IMPROVEMENT PROJECTS**

<u>Item</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>2005/2006*</u>
<u>Amendments to Active Projects</u>			
03-26	Street Tree Reinventroy Reinventroy is expanded to include trees in the North Bayshore area and new trees since last survey from 1992 and recording into GIS database and Hansen management system. (Original budget: \$55,000; Additional funding: \$100,000; Amended budget: \$155,000).	C/C Tax Shoreline Community	\$ 77 23
04-28	Senior Center Design and Construction Correct project budget to replace extra Parkland Dedication funds transferred to project with Construction Conveyance Tax.	C/C Tax Parkland Fund	426 (426)
04-29	Bubb Park and Huff Park Restrooms (Amend to add Huff Park Restroom) Add to Bubb Park Restroom project a new restroom at Huff Park (Original budget: \$206,000; Additional funding: \$180,000; Amended budget: \$386,000).	Parkland Fund	180
04-33	Stevens Creek Trail Ped/Bike Overcrossing at Moffett Blvd., Design/Construction Increase project funding for the bridge. (Original budget: \$2,800,000; Additional funding: \$750,000; Amended budget: \$3,550,000).	Shoreline Community	750
04-41	Graham Reservoir/Play Field Construction Increased funding for Reservoir, Pump Station, Transmission Mains, and Play Fields. (Original budget: \$12,090,000; Additional funding: \$5,624,000; Amended budget: \$17,714,000). NOTE: Project 04-41 is being implemented in conjunction with Water Well No. 23, Project 05-32 (\$1,270,000) for a combined project budget of \$18,984,000.	Water Shoreline Community	4,957 667

FISCAL YEAR 2005-06
ADOPTED CAPITAL IMPROVEMENT PROJECTS
(Continued)

<u>Item</u>	<u>Project Description</u>	<u>Funding Source</u>	<u>2005/2006*</u>
05-24	Recruitment of Retail Tenant for Parking Structure No. 2 Increased funding for legal review of lease documents (Original budget: \$65,000; Additional funding: \$20,000; Amended budget: \$85,000).	Downtown Revitalization	\$ 20
05-25	Marketing of Downtown City-Owned Properties Increased funding needed for additional environmental assessments. (Original budget: \$130,000; Additional funding: \$55,000; Amended budget: \$185,000).	Downtown Revitalization	55
05-31	Library Automated Book Check-In and First Floor Modifications Additional funding for changing Library's collection to Radio Frequency Identification (RFID) technology. (Original budget: \$800,000; Additional funding: \$300,000; Amended budget: \$1,100,000).	C/C Tax	300
<u>Infrastructure Maintenance and Other Projects</u>			
06-01	05-06 Street Resurfacing Program Install asphalt concrete and overlays, raise utilities and monuments. Also includes City facility parking lot resurfacing.	C/C Tax Shoreline Community	516 50
06-02	05-06 Traffic Signal Replacements/Modifications Replace traffic signal controllers, related equipment and traffic detector loops. Includes minor modifications to existing traffic signals to improve traffic safety.	C/C Tax	69

FISCAL YEAR 2005-06
ADOPTED CAPITAL IMPROVEMENT PROJECTS
(Continued)

06-03	05-06 Slurry Seal Program Apply slurry seal to selected street surfaces and City facility parking lots as required.	C/C Tax Gas Tax	\$ 6 96
06-04	05-06 Water System Improvements Scheduled replacement of smaller water system components and minor unscheduled improvements to the City's water system.	Water	284
06-05	05-06 Wastewater System Improvements Unscheduled minor improvements/repairs to the City's wastewater collection and pumping system.	Wastewater	131
06-06	05-06 Concrete Sidewalk/Curb Repairs Replace deteriorated sidewalks and repair concrete curbs, gutters, and sidewalks.	C/C Tax	425
06-07	05-06 Parks Pathway Resurfacing Renovate various park pathways within City parks.	CIP Reserve	81
06-08	05-06 Shoreline Pathway, Roadway, Parking Improvements Correct drainage problems and damage due to differential settlement; provide pathway, roadway and parking related amenities.	Shoreline Community	158
06-09	05-06 Forestry Maintenance Program and Street Tree Replanting Contract for pruning, removing, stumping, purchasing, and replanting approximately 800 to 1,000 medium to large trees within the City. Maintain trees damaged by freezing, disease, drought and other natural causes.	C/C Tax	166

FISCAL YEAR 2005-06
ADOPTED CAPITAL IMPROVEMENT PROJECTS
(Continued)

06-10	05-06 Shoreline Landfill Cap Maintenance and Repairs	Regulatory mandates of the Bay Area Air Quality Management District and the Regional Water Quality Control Board require the City to protect the integrity of the landfill cap and prevent surface emissions by regrading, filling, recompact, and making other improvements.	Shoreline Community	\$ 105
06-11	05-06 Developer Reimbursements	Construction of street and utility improvements concurrent with private development. Adjacent properties benefiting from street and utility improvements will be required to reimburse the City for the improvements.	CIP Reserve Water Wastewater Storm Construct.	26 26 26 26
06-12	05-06 Street Lane Line and Legend Repainting	Annual repainting City street lane lines and legends and public and downtown parking lots.	C/C Tax Gas Tax	27 154
06-13	05-06 Landfill Gas/Leachate System Repairs and Improvements	Annual repairs and improvements to large components of the landfill gas and leachate system.	Shoreline Community	105
06-14	05-06 Facilities Maintenance Plan	Repair, replace, or maintain City facilities (HVAC, roofs, carpets, plumbing, etc.)	C/C Tax Shoreline Community	350 100

FISCAL YEAR 2005-06
ADOPTED CAPITAL IMPROVEMENT PROJECTS
(Continued)

06-15 05-06 Annual Traffic Studies/NTMP Improvements			
Funds traffic control devices authorized through the Neighborhood Traffic Management Program, and annual contracts with traffic consultants to study neighborhood traffic issues.	C/C Tax	\$ 30	
	Gas Tax	75	
06-16 05-06 Maintenance Agreement for JPB/VTA Transit Center			
Reimbursement of City expenses by JPB/VTA.	Other (Reimburse-ment)	100	
06-17 Shoreline Infrastructure Maintenance			
Maintenance of water lines, sewer lines, storm drainage system, water system supplying the sailing lake.	Shoreline Community	200	
06-18 Information Services Computer Projects			
Information Services projects.	CIP Reserve	45	
	C/C Tax	218	
	Water	9	
	Wastewater	10	
	Shoreline Community	18	
06-19 Rengstorff Park Facility Modernization Study			
Develop a strategy for long-term improvements to the park.	C/C Tax	60	
06-20 Resurface Miramonte Avenue			
Resurface Miramonte Avenue between El Camino Real and Los Altos City limit with Federal Surface Transportation (STP) Funds for rehabilitating arterial and collector streets.	C/C Tax	20	
	Gas Tax	99	
	Other (STP Funds)	367	

FISCAL YEAR 2005-06
ADOPTED CAPITAL IMPROVEMENT PROJECTS
(Continued)

06-21 City Bridges and Culverts Structural Inspections	Inspections will assess condition of the 40 bridges and culverts owned by the City to provide updated maintenance parameters. Last inspections were in 1995.	CIP Reserve Shoreline Community	\$ 45 30
06-22 Energy Conservation Initiative	Identify and analyze opportunities for long-term energy efficiencies, renewable energy development and reduced operating costs. For example, reviewing City facilities for lighting improvements and retrofits, and analyzing the cost advantage of installing heat recovery equipment.	C/C Tax	200
06-23 Biannual Median and Roadway Landscape Renovations	Upgrade, repair and improve existing plant material and irrigation systems in 115 acres of street medians and roadway landscaping. Systematically renovate and replant existing landscape medians and roadway planting areas and portions of Central Expressway.	C/C Tax	65
06-24 Explore Strategy for Extending Hetch-Hetchy Trail	Analyze costs, right-of-way implications, and benefits of extending trail.	C/C Tax	35
06-25 Facilities Major Planned and Emergency Repairs	Repair elevators in City Hall, other major City Hall and Performing Arts Center repairs and emergency repairs.	C/C Tax	450
06-26 Eagle Pool Replastering and Repairs	Last replastering in 1989 was expected to last 8-12 years. Concrete deck around pool also needs repair.	C/C Tax	100

FISCAL YEAR 2005-06
ADOPTED CAPITAL IMPROVEMENT PROJECTS
(Continued)

06-27 ADA Improvements at City Facilities		
Address compliance issues at City facilities identified in a 2002 survey.	C/C Tax	\$ 100
06-28 Project Study Reports: SR 237/ Middlefield and SR 237/ ECR/ SR85		
City of Mountain View's contribution to the cost of preparing two project study reports. Valley Transportation Authority (VTA) will prepare reports.	C/C Tax	250

Capital Improvement Projects

06-29 Miscellaneous Storm/Sanitary Sewer Main Replacement		
Repair and replace storm and sanitary sewer pipes, manholes and systems identified by the City's annual line televising program.	Wastewater	1,340
06-30 Shoreline Lake Water Supply, Construction		
Construct permanent solutions to water supply of the sailing lake.	Shoreline Community	3,000
06-31 Traffic Signal at Intersection of Middlefield Road and Logue Avenue		
Design and install a traffic signal at the Middlefield Road and Logue Avenue intersection.	C/C Tax	200
06-32 Central Irrigation System Replacement, Phase II		
Install 86 irrigation controllers in City roadway medians.	C/C Tax	222
06-33 Permanente Creek Ped/Bike Overcrossing Highway 101, Construction		
Construct ped/bike bridge over Highway 101 into the North Bayshore area.	Shoreline Community	2,850

FISCAL YEAR 2005-06
ADOPTED CAPITAL IMPROVEMENT PROJECTS
(Continued)

06-34 TDA Pedestrian/Bicycle Projects (Bicycle Boulevard)			
Transportation Development Act (TDA)	C/C Tax	\$ 5	
projects recommended by the City's	Other (TDA	52	
Bicycle/Pedestrian Advisory Committee.	Funds)		
06-35 Childcare Center in Community Center Complex			
Construct 7,000 square foot childcare center	CIP Reserve	400	
near the Community Center.	C/C Tax	300	
	Other	2,800	
	(Packard		
	PRI)		
06-36 Relocation of Fire and Environmental Protection Division to City Hall, 4th Floor			
Move to free up space for Police in	C/C Tax	200	
Police/Fire Administration building.			
06-37 Downtown Revitalization Bond Improvements			
Funds available from bond proceeds that can	Downtown	901	
be expended on improvements with useful	Revitaliza-		
lives exceeding the bond redemption at 2019.	tion (Bond		
	Proceeds)		
06-38 ADA Playground Improvements			
Upgrade existing playgrounds at City parks	Parkland	323	
to meet new ADA and CPSC guidelines.	Fund		
	Total	<u>\$25,075</u>	

FISCAL YEAR 2005-06
ADOPTED CAPITAL IMPROVEMENT PROJECTS
(Continued)

FY 2005/2006 PROJECTS

FUNDING SUMMARY

CIP Reserve Fund	\$ 597
Construction/Conveyance Tax Fund	4,817
Water Fund	5,276
Wastewater Fund	1,507
Storm Drain Fund	26
Solid Waste Management Fund	0
Gas Tax Fund	424
Shoreline Community Fund	8,056
Shoreline Golf Links Fund	0
Parking District Fund	0
Downtown Revitalization Funding	976
Park Land Fund	77
Other Funding	<u>3,319</u>

Total	<u>\$25,075</u>
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ONGOING OPERATING COSTS/SAVINGS FROM CAPITAL IMPROVEMENTS

As discussed in the transmittal letter, there is an estimated \$63,800 of increased operating costs associated with five capital improvement projects. Two of which are amended projects, adopted for Fiscal Year 2005-06.

The names of the projects and brief description of the increased costs may be found below.

<u>Project</u>	<u>Increased/Decreased Operating Costs</u>
Bubb Park and Huff Park Restrooms (Amended project) <i>Additional annual maintenance, materials and supplies for adding Huff Park.</i>	\$4,000
Library Automated Book Check-in and First Floor Modifications (Amended project) <i>Annual maintenance and materials for radio frequency check-in equipment.</i>	28,000
Information Services Computer Projects <i>Increased maintenance agreements.</i>	25,000
Central Irrigation System Replacement, Phase 2 <i>Annual maintenance, materials and supplies for software and equipment.</i>	25,000
Childcare Center in the Community Center Complex <i>Annual audit of operator and annual landscape maintenance costs.</i>	15,000

ANNUAL DEBT SERVICE PAYMENTS BY ENTITY

	<u>2003-04</u> <u>AUDITED</u>	<u>2004-05</u> <u>ADOPTED</u>	<u>2005-06</u> <u>ADOPTED</u>
CITY OF MOUNTAIN VIEW			
2001 Refunding Certificates of Participation (COPs)			
Principal	620,000	640,000	665,000
Interest	401,144	381,894	359,057
Total 2001 Refunding COPs	<u>1,021,144</u>	<u>1,021,894</u>	<u>1,024,057</u>
2004 Water Revenue Bonds			
Principal	0	0	250,000
Interest	0	0	384,300
Total 2004 Water Revenue Bonds	<u>0</u>	<u>0</u>	<u>634,300</u>
TOTAL City of Mountain View	<u>1,021,144</u>	<u>1,021,894</u>	<u>1,658,357</u>
SHORELINE REGIONAL PARK COMMUNITY			
1993 Series A Tax Allocation Bonds			
Principal	795,000	0	0
Interest	1,043,915	0	0
Defeasance	19,048,600	0	0
Total 1993 Series A TA Bonds	<u>20,887,515</u>	<u>0</u>	<u>0</u>
1996 Series A Tax Allocation Bonds			
Principal	590,000	620,000	655,000
Interest	1,007,570	979,060	945,308
Total 1996 Series A TA Bonds	<u>1,597,570</u>	<u>1,599,060</u>	<u>1,600,308</u>
2001 Tax Allocation Refunding Bonds			
Principal	915,000	950,000	980,000
Interest	720,577	690,740	656,965
Total 2001 TA Refunding Bonds	<u>1,635,577</u>	<u>1,640,740</u>	<u>1,636,965</u>
2004 Tax Allocation Refunding Bonds			
Principal	0	1,360,000	1,060,000
Interest	0	734,913	677,185
Total 2004 TA Refunding Bonds	<u>0</u>	<u>2,094,913</u>	<u>1,737,185</u>
TOTAL Shoreline Regional Park Community	<u>24,120,662</u>	<u>5,334,713</u>	<u>4,974,458</u>

ANNUAL DEBT SERVICE PAYMENTS BY ENTITY
(continued)

	<u>2003-04</u> <u>AUDITED</u>	<u>2004-05</u> <u>ADOPTED</u>	<u>2005-06</u> <u>ADOPTED</u>
REVITALIZATION AUTHORITY			
1995 Refunding Certificates of Participation (COP)			
Principal	1,329,135	0	0
Interest	489	0	0
Defeasance	6,650,826	0	0
Total 1995 Refunding COP	<u>7,980,450</u>	<u>0</u>	<u>0</u>
2003 Certificates of Participation (Refunding & Capital Projects)			
Principal	0	790,000	720,000
Interest	284,548	759,407	729,206
Total 2003 COP (Refunding & Capital Projects)	<u>284,548</u>	<u>1,549,407</u>	<u>1,449,206</u>
2003 Tax Allocation Bonds			
Principal	0	300,740	318,784
Interest	0	425,000	401,955
Total 2003 Tax Allocation Bonds	<u>0</u>	<u>725,740</u>	<u>720,739</u>
TOTAL Revitalization Authority	<u>8,264,998</u>	<u>2,275,147</u>	<u>2,169,945</u>
TOTAL DEBT SERVICE REQUIREMENTS	<u>\$ 33,406,804</u>	<u>8,631,754</u>	<u>8,802,760</u>

Note: Interest payment includes Trustee fees.

DEBT SERVICE REQUIREMENTS
AS OF JUNE 30, 2005
(Dollars in Thousands)

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Authorized and Issued</u>	<u>Outstanding as of June 30, 2005</u>
<u>Tax Allocation Bonds(a)</u>				
Shoreline Regional Park Community:				
1996 Tax Allocation Bonds	2021	4.0 - 5.6%	\$ 21,750	\$ 17,510
2001 TA Refunding Bonds	2016	3.5 - 5.25%	17,520	14,785
2004 TA Refunding Bonds	2018	2.0 - 5.0%	19,520	18,160
Revitalization Authority:				
2003 TA Refunding Bonds	2018	6.0%	7,000	<u>6,699</u>
Total tax allocation bonds				<u>57,154</u>
<u>Special Assessment Debt with Governmental Commitment(b)</u>				
	Up to 2022	4.1 - 8.2%	6,016	<u>1,451</u>
<u>Certificates of Participation</u>				
City of Mountain View:				
2001 Refunding (a)	2015	3.5 - 4.75%	10,720	8,870
Revitalization Authority:				
2003 Refunding (a)	2019	4.0 - 5.375%	16,930	<u>16,140</u>
Total certificates of participation				<u>25,010</u>
<u>Revenue Bonds</u>				
City of Mountain View:				
2004 Water Revenue Bonds	2029	3.0 - 4.5%	9,700	<u>9,335</u>
Total revenue bonds				<u>9,335</u>
Total long-term debt				<u>\$92,950</u>

Debt service payments are generally made from the following sources:

- (a) Transfers from the General Fund and property taxes transferred from the Special Revenue Funds to the Debt Service Funds.
- (b) Special assessment revenues recorded in the Special Assessment Debt Service Fund.

COMPUTATION OF LEGAL DEBT MARGIN

June 30, 2005
(Dollars in Thousands)

Assessed value (net) - June 30, 2005 (1)	\$ <u>9,359,815</u>
Debt limit: 15% of assessed value	1,403,972
Less total bonded debt, general obligation	<u>0</u>
Legal debt margin (2)	\$ <u>1,403,972</u>

(1) Source: California Municipal Statistics, Inc. Does not include tax increment districts.

(2) The legal debt margin for the City of Mountain View, California, is calculated using a debt limit of 15 percent of the assessed value of property within the City limits.

TOP TEN PROPERTY TAXPAYERS

Fiscal Year 2004-05
(Dollars in Thousands)

<u>OWNER</u>	<u>PRIMARY USE</u>	<u>ASSESSED VALUATION</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>
Alza Corporation	Industrial/ Unsecured	\$ 203,524	1.8%
Legacy Partners Inc.	Unsecured	140,700	1.2%
Microsoft Corporation	Unsecured	139,931	1.2%
BP Shoreline Technology Park LLC	Industrial	103,500	0.9%
Richard T. Peery, Et. al.	Industrial/ Commercial	158,499	1.4%
P & A Charleston Road LLC	Commercial	89,242	0.8%
Mission West Shoreline LLC	Industrial	84,630	0.8%
Silicon Graphics Inc.	Unsecured	81,144	0.7%
Inuit Inc.	Unsecured	78,434	0.7%
SL Investments III LLC	Industrial	50,771	0.5%
Subtotal		<u>\$ 1,130,375</u>	<u>10.0%</u>

Fiscal Year 2004-2005 Total Net Assessed Valuation \$ 11,287,396,840

Source: Santa Clara County Assessor Fiscal Year 2004-05 Combined Tax Rolls (as of September 2004)

FISCAL YEAR 2005-06 BUDGET REVIEW PROCESS

The budget process begins in November of each fiscal year, when all City departments begin preparation of their budget proposals for the upcoming fiscal year. Budget requests are reviewed by the Budget Review Team (consisting of the Assistant City Manager and the Finance and Administrative Services Director) and City Manager.

The budget is first presented to the City Council in the form of a Narrative Budget Report and then formally at public hearings in June. The budget is then adopted at a City Council meeting in June. This process complies with the procedures required in the City Charter for adoption of the annual budget specifying the annual City budget must be adopted prior to July 1, the beginning of each fiscal year.

The table below is a condensed time line for the entire budget process for Fiscal Year 2005-06.

November	Departments prepare budget proposals for the upcoming fiscal year.
December	Departments submit budget requests to the Budget Review Team and the Capital Outlay Review Committee.
December-February	The Capital Outlay Review Committee meets with departments and reviews the department requests. The City Manager and the Budget Review Team meet with departments, review department budgets and develop recommendations.
February	City Council goal-setting workshop. Budget preview study session. Mid-Year Budget Report presented to City Council.
March	City Council goal-setting follow-up. Narrative Budget Report - General Operating Fund study session for Fiscal Year 2005-06.
April	Five-Year Capital Improvement Program study session. Community Development Block Grant (CDBG) public hearing.
May	Narrative Budget Report – “Other Funds” and General Operating Fund (follow-up). City Council annual goals adoption. Capital Improvement Program adoption. Community Development Block Grant (CDBG) funding decisions.
June	Proposed budget public hearings and final budget adoption.

SUMMARY OF FINANCIAL AND BUDGETARY POLICY

Budget Policies:

- The adopted budget shall serve as the annual financial plan for the City. This financial plan shall include the goals and objectives set by the City Council and the level of services determined by the City Council.
- A balanced budget will be adopted annually, whereby operating expenditures shall not exceed operating revenues.
- The City Council shall adopt an annual operating budget by the first of July of each year.
- The City Manager or his designee shall have discretion for budget adjustments within a fund and within a department's operating budget.
- All budget adjustments between funds and departments shall be submitted to the City Council for approval.
- Performance and workload measures which reflect the effectiveness, efficiency or workload of departmental operations will be included in the annual budget. The budget should include comparisons of actual performance to a target goal.

Revenue Policies:

- The development and maintenance of diversified and reliable revenue streams will be the primary revenue policy of the City. The City will focus its efforts to optimize existing revenue sources while periodically reviewing potential new revenue sources.
- Revenues will be forecast for the upcoming budget year and the four subsequent years.
- Revenues will be estimated conservatively using information provided by State and other governmental agencies, trending of historical information and other relevant information.
- Fees and charges for services will be evaluated and, if necessary, adjusted annually. The City's objective in setting fees and charges for services is to achieve a reasonable level of cost recovery for services that are not provided to, or do not benefit the community as a whole.
- Periodic reviews or audits of significant revenue sources will be conducted to determine the accuracy of amounts paid and to monitor developments in the City's revenue base.

Expenditure Policies:

- City services and operations will be provided in an efficient manner with the objective of delivering the highest level of service possible at the lowest level of expenditure.

**SUMMARY OF
FINANCIAL AND BUDGETARY POLICY
(Continued)**

- Expenditures will be forecast for the upcoming budget year and the four subsequent years.
- Expenditures will be estimated conservatively using information provided by State and other governmental agencies, trending of historical information and other relevant information.
- A good internal control structure assuring that only properly authorized expenditures are made will be maintained.
- Expenditures will be controlled at the fund and department level and will not exceed appropriations without City Council authorization. Appropriations lapse at the end of the fiscal year to the extent that they have not been expended or encumbered.
- Obligations of the City will be recognized when incurred. Encumbrances will be used for outstanding commitments. Encumbrances outstanding at year-end will be carried over to the next fiscal year and are automatically reappropriated for inclusion in the next fiscal year's budget.

Reserve Policies:

- The General Fund Contingency Reserve, with a policy level to be equal to approximately 5 percent of the general operating budget, will be used for City Council approved expenditures not appropriated during the annual budget process and/or to cover unanticipated revenue shortfalls.
- The General Fund Long Term Contingency Reserve, with level goal to be equal to approximately 10 percent of the general fund operating budget, will be used only in situations of extreme physical or financial emergency and with the approval of the City Council.
- The Revenue Stabilization Reserve may be used as a funding source for interfund loans and other loans or advances from the General Fund as approved by Council. Such loans and advances should accrue interest earnings for the General Fund and include principal repayment to the extent possible.
- The Budget Transition Reserve shall be established to strategically position the City to adjust to lower revenues during economically challenging times.
- The Property Management Reserve shall be established to provide a source of funds for obligations which could arise from the City's leasing of property in the North Bayshore Area, including legal, environmental testing or other costs normally incurred by a lessor.

**SUMMARY OF
FINANCIAL AND BUDGETARY POLICY
(Continued)**

- The Graham School Maintenance Reserve shall be established to fund the maintenance obligations of the playing field at Graham Middle School beneath which the City is building a reservoir per the agreement with the school district.
- The Capital Improvement Projects Reserve, with a level goal of a minimum of \$5 million, will be used for the funding of capital improvement projects authorized by the City Council. To the extent possible, General Operating Fund carryovers remaining from the end of the fiscal year, not designated for other reserve purposes, may be applied to this Reserve.
- The Strategic Property Acquisition Reserve shall be established for the purpose of setting aside specific funds to be used for the acquisition of strategic property(ies).
- The Childcare Commitment Reserve shall be established to fund the future obligation payment of the City-owned building built for and leased to an operator for the purposes of childcare.
- The Compensated Absences Reserve shall fund the disbursements of terminated or retired employees for accrued vacation and sick-leave. This Reserve shall be funded in an amount sufficient to fund the accrued liabilities of the City for compensated absences such as vacation and vested sick leave.
- The PERS Liability Reserve shall fund the City's obligation for employers PERS (Public Employees Retirement System) rate above the normal cost rate.
- The Equipment Replacement Reserve shall be maintained for the replacement of capital equipment. The financial objective of this fund is to permit the budgeting of level annual amounts for capital equipment replacement while utilizing this fund's reserves to absorb the cash flow variations caused by the timing of asset replacements. Appropriations for this fund will be requested in the annual budget. It is policy direction that capital assets not be replaced before the end of their useful life unless justified by operating necessity.
- The Open Space Acquisition Reserve shall be used for the purpose of acquiring open space authorized by the City Council. Proceeds from excess City-owned properties shall fund this Reserve as directed by City Council.
- The Workers' Compensation Reserve shall be maintained at a level deemed adequate to meet projected liabilities as determined by an actuarial evaluation to be conducted at least once every three years. In addition to projected liabilities, the reserve balance shall include provision for two catastrophic losses at the City's current level of self-insured retention.

**SUMMARY OF
FINANCIAL AND BUDGETARY POLICY
(Continued)**

- The Liability Self-Insurance Reserve shall be maintained at a minimum level of \$2 million plus an amount deemed appropriate to cover expected claim settlements for the current year.
- The Unemployment Self-Insurance Reserve will be reviewed annually and maintained at a level adequate to meet estimated unemployment liabilities.
- The Employee Benefits Plan (Prescription/Vision) Reserve will be reviewed annually and maintained at a level adequate to meet estimated benefit liabilities.
- The Retirees' Health Plan Reserve will be reviewed annually with a funding goal adequate to achieve and maintain a level adequate to meet projected liabilities as determined by an actuarial evaluation to be conducted periodically.
- The Water Fund Reserve shall be maintained as follows:
 - 1) Minimum 10 percent of operating budget for emergency
 - 2) Minimum 5 percent of operating budget for contingency
 - 3) 10 percent of operating budget for rate stabilization *
 - 4) \$2 million for capital improvements
- The Wastewater Fund Reserve shall be maintained as follows:
 - 1) Minimum 10 percent of operating budget for emergency
 - 2) Minimum 5 percent of operating budget for contingency
 - 3) 10 percent of operating budget for rate stabilization *
 - 4) \$1 million for capital improvements
- The Solid Waste Fund Reserve shall be maintained as follows:
 - 1) Minimum 10 percent of operating budget for emergency
 - 2) Minimum 5 percent of operating budget for contingency
 - 3) 10 percent of operating budget for rate stabilization *
 - 4) Required Financial Assurance Mechanisms (FAMs)

* The purpose of the rate stabilization funds is to buffer any significant changes in revenues or expenses. Use of the rate stabilization funds is allowed to gradually or incrementally change rates in any year to lessen the impact of an otherwise significant rate change. The funds are to be adjusted in the following years to meet the 10 percent guideline.

**SUMMARY OF
FINANCIAL AND BUDGETARY POLICY
(Continued)**

Capital Improvement Policies:

- A five-year comprehensive Capital Improvement Plan (CIP), identifying proposed major construction projects, capital equipment outlays, land acquisition and other capital improvement expenditures, and providing an analysis of the estimated funding available and necessary to fund these projects, shall be prepared and presented to the City Council for approval.
- The plan shall identify all proposed projects to be initiated during the five-year period.
- The first year of the five-year plan shall be appropriated annually. The appropriations for each project are ongoing until project completion, project cancellation or amendment.
- The adopted capital improvement budget shall only include those projects which can reasonably be accomplished or substantially started within the fiscal year.
- Recurring annual projects shall be closed out at the end of the fiscal year or as soon as all related expenditures have been paid.
- Capital projects will be reviewed on an annual basis for amendments or potential closure/cancellation.
- A list of unscheduled projects (projects not included in the plan period) will be identified in the five-year plan as an indication of potential future projects.
- Future potential ongoing operating costs associated with a project will be identified with the project in the five-year plan.

Cash Management and Investment Policies:

- The City will follow modern cash management practices that require active revenue oversight, prompt collection, deposit and investment of all funds and cash flow management which maximizes the amount of invested cash balanced with the timely payment of obligations.
- The City will invest all funds in accordance with the Investment policy based on the following criteria:
 - 1) Safety of investment
 - 2) Maintenance of sufficient liquidity to meet cash flow needs
 - 3) Attainment of a total rate of return consistent with the requirements of the City's Investment Policy
- The City shall conduct all of its investment activities in accordance with the California Government Code Section 53600 and the City's investment policy.

**SUMMARY OF
FINANCIAL AND BUDGETARY POLICY
(Continued)**

- The City's investment policy shall be updated as necessary and approved by the City Council on an annual basis.
- A complete report on the City's investment portfolio shall be presented to the City Council on a regular basis.
- A cash flow analysis shall be prepared on a monthly basis in order to estimate the amount of funds available for investment.

Accounting Policies:

- A financial accounting system adequate to provide management information and meet reporting requirements shall be maintained.
- A system of effective internal controls will be maintained that assures only properly authorized expenditures, recordings of financial transactions and accounting entries are executed.
- The City's financial records will be audited annually by an independent accounting firm as required by the City Charter.
- A Comprehensive Annual Financial Report (CAFR) shall be prepared each year within six months of the close of the previous fiscal year. The CAFR will be presented to the City Council Finance Committee and the City Council.
- The CAFR shall be prepared in accordance with generally accepted accounting principles applicable to local governments.
- The "Management Letter" presented by the City's independent accounting firm will be presented, with City staff's comments, to the City Council Finance Committee for a recommendation to the City Council.

Debt Management Policies:

- Long-term borrowing will be restricted to the funding of capital improvement projects and equipment. The use of long-term borrowing for ongoing operations shall be avoided.
- The term of the debt shall not exceed the expected useful life of the capital improvement project or equipment.
- Debt obligations will be met in a timely and efficient manner.
- The City will comply with all debt covenants.

**SUMMARY OF
FINANCIAL AND BUDGETARY POLICY
(Continued)**

- Good communications with bond rating agencies about its financial condition will be maintained.
- The City will not exceed its legal debt margin limit of 15 percent of assessed value of property within the City limits.
- Refunding techniques will be used where appropriate to allow for the restructuring of its current outstanding debt to remove or change restrictive covenants, and/or to reduce annual debt service in an amount sufficient to justify the costs of the refunding/reissuance.

Risk Management Policies:

- The City will maintain an appropriate level of funding or insurance coverage for exposure to risks of financial loss through self-insurance, partial self-insurance, commercial insurance, or pooled insurance with other agencies, whichever form is the most cost effective in the long term. If self-insuring, stop loss insurance or pooled insurance should be acquired in order to minimize the amount of self-insured retention, or financial responsibility, at the lowest level that is cost effective. The form of insurance employed for different risks shall be periodically evaluated.
- City property shall be appropriately insured or self-insured to cover the City's losses through theft, destruction, fire and other insurable perils.
- All liability-type losses and claims that occur with predictable frequency and which will not have a significant adverse impact on the City's financial position shall be self-insured to an appropriate level.
- An annual survey shall be made of all insurance and self-insurance to monitor and compare costs.
- The City shall be appropriately insured or self-insured for unemployment insurance.
- Workers' Compensation shall be insured or self-insured to an appropriate level and the program carried out according to State laws with the intent to care for the injured and preclude abuse to the extent allowable by law.
- A safe work environment shall be provided for employees.

GLOSSARY

Accounting System - The total structure of records and procedures which identify, record, classify, summarize, and report information on the financial position and results of operations of a government.

Accrual Basis of Accounting - A method of accounting that recognizes the financial effect of transactions, events and interfund activities when they occur, regardless of the timing of related cash flows.

ADA – American with Disabilities Act.

Adjusted Budget - The Adopted Budget plus/minus any mid-year Council action.

Adopted Budget - The final budget document in which formal action is taken by the City Council to set the spending plan for the fiscal year.

Adoption - Formal action by the City Council to accept a document.

Annual Budget - The total budget for a given fiscal year as approved by City Council.

Appropriation - A legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose.

Assessed Valuation - A value established by the County Assessor which approximates fair market value of real or personal property. By state law, one hundred percent of the property value is used for determining the basis for levying property taxes.

Bonds - A legal promise to pay a sum of money on a specific date at a specified interest rate.

Budget - A financial plan identifying estimated revenues, planned expenditures and levels of service.

Budget Adjustment - Any change approved by council after the formal adoption of the budget.

Capital Improvement Program (CIP) - Annual appropriations for capital projects such as City buildings, general plan update, park renovations, etc. These projects are usually multi-year, and thus extend beyond the annual budget. The CIPs are supported by a five-year expenditure plan detailing funding sources and expenditure amounts.

Capital Outlay - Expenditures that result in the acquisition of assets with an estimated useful life of more than two years and a unit cost of \$3,000 or more (account classification 56100's).

CDBG - Community Development Block Grant, a grant received by the Department of Housing and Urban Development.

COLA - Cost of living adjustment.

Contingency - A budgeted reserve set aside for emergency or unanticipated expenditures and revenue shortfalls.

Consumer Price Index (CPI) - A statistical measure of price levels provided by the U.S. Department of Labor signifying the cost of living and economic inflation.

Certificates of Participation (C.O.P.)- Provides long term financing through a lease, installment of sale agreement or loan agreement.

Debt Retirement Costs - Costs associated with the retirement of debt.

Debt Service - The payment of principal and interest on borrowed funds such as bonds.

Debt Service Fund - Governmental fund type used to track the monies set aside for debt service.

Department - The highest organizational unit which is responsible for managing divisions within a functional area.

Division - An organizational unit that provides a specific service within a department.

EIR - Environmental Impact Report.

Ending Balance - The excess of a fund's accumulation of revenues over its expenditures available for appropriation.

Enterprise Funds - Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

ERAF - Educational Revenue Augmentation Fund. The mechanism used by the State to shift local taxes for the State's education funding commitments. This mechanism has been used three different times thus are the terms ERAF I, ERAF II and ERAF III.

Estimated Revenue - The amount of revenue expected in some period.

Expenditure - The use of financial resources typically spent for goods or services.

Fiscal Year - A 12-month period specified for recording financial transactions. The City of Mountain View's fiscal year starts on July 1 and ends on the following June 30.

Full-Time Equivalent (FTE) - Part-Time and Hourly positions expressed as a fraction of Full-Time Positions (2080 hours per year). Example: 3 positions working 1/2 time equal 1 1/2 FTEs.

Fund - A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance - The difference between assets and liabilities reported in a government fund.

General Fund - Accounts for the operations of the City which are not recorded in other funds.

General Government - A grouping of departments that support those which give direct service to the public.

General Obligation Debt - Debt issued by a government that must be approved by the voting community with a 67% vote in favor and is to be repaid from general taxes collected.

General Operating Fund - A "sub" fund of the General Fund which accounts for the ongoing annual operations of the City which are not recorded in other funds.

Goals - A set of criteria to be achieved within a certain time period.

Governmental Funds - Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Grant Funds - Monies received from another government such as the State or Federal Government, usually restricted to a specific purpose.

Gross - Amount prior to any deductions.

IFAS - The accounting and budgetary system used by the City of Mountain View.

Infrastructure - A substructure or underlying foundation on which the continuance or growth of a community depends: roads, schools, transportation systems, etc.

Interdepartmental Charges - Charges from one department or fund to another department or fund within the City of Mountain View.

Interfund Expenditure - An expenditure reported in one department or fund that is generated by another department or fund within the governmental entity.

Interfund Transfers - Movement of money from one fund to another within the City of Mountain View.

Intergovernmental Revenue - Grants, entitlements and cost reimbursements from another federal, state or local governmental unit.

Internal Service Fund - Proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments on a cost-reimbursement basis.

Labor Chargeback - An account used to credit salaries and benefits when time is charged to a capital improvement project or another fund or department for services provided.

Maintenance and Operations - Cost of upkeep and running of property or equipment (account classification 55200's).

Materials and Supplies - Expenditures for goods used to support operations (account classification 55100's).

Measurement Focus - Types of balances (and related changes) reported in a given set of financial statements (i.e. economic resources, current financial resources, assets and liabilities resulting from cash transactions).

Mission Statement - A broad direction based on the needs of the community. A mission is general and timeless; it is not concerned with a specific achievement in a given time period.

Modified Accrual Basis of Accounting – Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due. [NCGA Statement 1]

Net - Amount after consideration of any adjustments.

Objective - Something aimed at or strived for.

Operating Budget - Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending and service delivery activities of a government are controlled.

Other Expenses - All expenditures not recorded in other major account classifications (account classification 55500's).

Other Fund - A fund which accounts for resources that are legally restricted to expenditures for specific operational purposes.

Overhire Position - A position created for temporary use above the approved budgeted number of positions. This is used as an overlap when someone is retiring, out on disability, etc.

Performance/Workload Measures - Number or percentage of work category completed or performed. The performance/workload measures provide an indicator of the amount of work performed or measures the quality of effectiveness of work performed by a department or program from year to year.

PERS - Public Employees Retirement System.

Personnel Services - Salaries and benefits paid to City employees (account classification 54100-54300's).

Position Classification - Includes job titles, job grades, and job families for an overall job level.

Professional/Technical Services - Expertise purchased from external sources (account classification 55400's).

Property Tax Apportionment - The allotment of direct taxes on the basis of population.

Proposed Budget - The initial spending plan for the fiscal year presented to the City Council before adoption.

Proposition 4/GANN Initiative Limit - The City is required, under Article XIII B of the State Constitution, to limit appropriations from proceeds of taxes. The annual appropriation limit is based on data received from the State, including various growth measures such as population, CPI, and non-residential construction changes.

Proprietary Funds - Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Reserves - An account classification used to indicate that a portion of fund resources is not available for appropriation and subsequent spending.

Revenue Enhancements - Any action that increases current revenue sources or creates new ones.

Section 1103 of City Charter - Mandates that the City Manager will send a careful estimate, in writing detailing the amount of expenditures required to ensure the proper conduct of business at all levels the City Manager has control of, and an estimate of incomes expected.

Secured Debt - Debt guaranteed by the pledge of assets or other collateral.

Services to Other Departments - Includes interdepartmental charges and credits received for work performed for another department or fund (account classification 54100).

Significant Changes - Any change resulting in an increase in the budget of more than the expense guidelines provided by the City Manager. The expense guideline for Fiscal Year 2005-06 is a 0% increase over Fiscal Year 2004-05.

SMaRT Station - The copyright protected acronym used for the Sunnyvale Material and Recycling Transfer Station.

Special Assessment - Compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Funds - Governmental fund type used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes.

TABs - Tax Allocation Bonds. Bonds issued by a government agency secured by the agency's pledge of tax revenues. .

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

Unsecured Debt - Obligation not backed by the pledge of specific collateral.

Utilities - A public service such as gas, electricity, or water. Also used to account for expenditures for services such as gas, electricity, water, refuse collection, etc. (account classification 55300's).

Utility Rolls - Utility property assessed by the State Board of Equalization.

VTA - Valley Transportation Authority.

VII. FIVE-YEAR FORECAST

In stable times, the forecast can assist decision-making by providing a longer-term perspective on budget decisions. However, preparation of the five-year revenue forecast has been complicated over the past several years by unprecedented financial challenges resulting from the downward spiral of the economy and the State's budget issues. Although General Operating Fund revenues appear to be recovering, it is uncertain if the current rate of recovery will maintain the pace necessary to fund the growth in expenditures.

Historical Information, Major Assumptions and Forecast Methodology

The forecast is for Fiscal Years 2005-06 through 2009-10. The City weathered significant and unprecedented, financial challenges for the 2002-03 through 2004-05 budget cycles. The General Operating Fund, the primary provider of City services, was experiencing severely constrained finances and was forced to reduce the level of City services. With the decline in General Operating Fund revenues, there was insufficient revenue to fund even inflationary increases in General Operating Fund expenditures. The potential for a serious economic situation was identified at an early stage of the recession. Techniques such as creation of the Economic Stabilization Contingency, the Budget Transition Reserve and retaining the available carryover from prior fiscal years have allowed the City's adjustment to financial challenges to be less traumatic than would otherwise be the case and will continue to provide flexibility into the future.

Signs of recovery have been evident since early 2004 but were not strong enough to be certain they would continue. Companies have been hiring over the last six months, but some local companies are still implementing layoffs.

Amphitheatre lease revenue and some service charges revenues were below budget for Fiscal Year 2004-05. The majority of other revenue sources were on target or over budget, resulting in General Operating Fund revenues exceeding budget by \$4.5 million. However, the State-imposed \$1.4 million ERAF loss was funded from reserves and is not reflected in this \$4.5 million. The General Operating Fund ended the fiscal year with a \$9.1 million operating balance, consisting of the \$1.0 million budgeted Economic Stabilization Contingency, \$4.5 million increased revenue and \$3.6 million of expenditure savings primarily related to the partial hiring freeze.

The June 2005 State-wide unemployment rate declined to 5.4 percent from a high of 6.9 percent in June 2003. The Santa Clara County employment rate was 5.6 percent in June 2005, down from 9.3 percent in June 2003.

Projections of the major revenue sources are based upon and affected by the variables summarized below. An expanded discussion of each revenue category follows this section.

- Property tax revenue is impacted by real property prices, assessed valuation, ownership changes triggering reassessments, the level of development activity and the proportionate share of that activity to the rate of growth in the remainder of Santa Clara County. The County proactively reviewed properties again for Fiscal Year 2005-06, resulting in some reduced commercial assessments. Although a majority of the residential assessed value reductions implemented by the County Assessor for Fiscal Years 2002-03 through 2004-05 are projected to be restored for Fiscal Year 2005-06, decreased commercial property values will continue to have a dampening effect on the rate of revenue growth into the future until the value is restored.

The second and final ERAF III reduction to General Operating Fund property tax revenues will be \$1.4 million but will be funded from the General Fund Reserve.

- Sales tax revenue is subject to economic, technological and political challenges, and local business decisions. Currently, the most significant challenge is the slow recovery of the local economy.
- Other Taxes:
 - Transient Occupancy Tax is impacted by the number of hotel rooms, the room and occupancy rates and the tax level.
 - Utility Users Tax is dependent on the cost of energy, customer base and consumption levels.
- Investment earnings are based on the portfolio balance and yield.
- Licenses, Permits and Service Charges are primarily impacted by the level of development within the City.

The original projections made for Fiscal Year 2005-06 indicated that revenues were recovering but were still insufficient to fund the ongoing level of expenditures and provide for an Economic Stabilization Contingency.

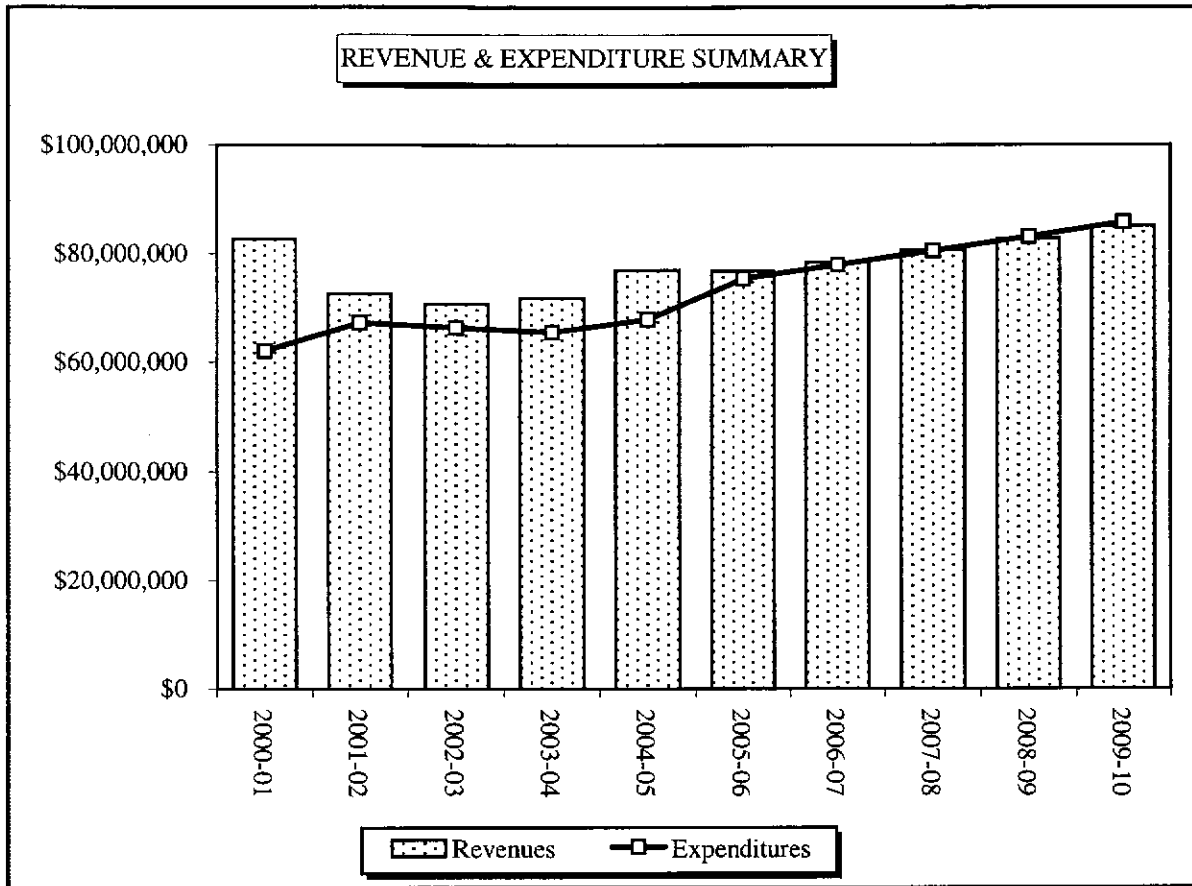
Expenditures are formulated based on historical experience, assumptions about future growth rates using information gathered from various sources, extrapolations based on the 2004-05 fiscal year, previously negotiated labor agreements and future costs of the Fiscal Year 2005-06 Adopted Budget. The expenditure forecast does not assume any additional programs, positions or service level enhancements.

Conclusion

The General Operating Fund balance in Fiscal Year 2005-06 indicates a positive balance of approximately \$1.4 million, which declines to a \$751,000 negative balance by Fiscal Year 2009-10, the end of the forecast period.

The forecast is updated annually as part of the budget process. Revenue trends are closely monitored and compared to expenditures in the preparation of the budget and each fiscal year appropriate budget proposals are developed based on projected revenues.

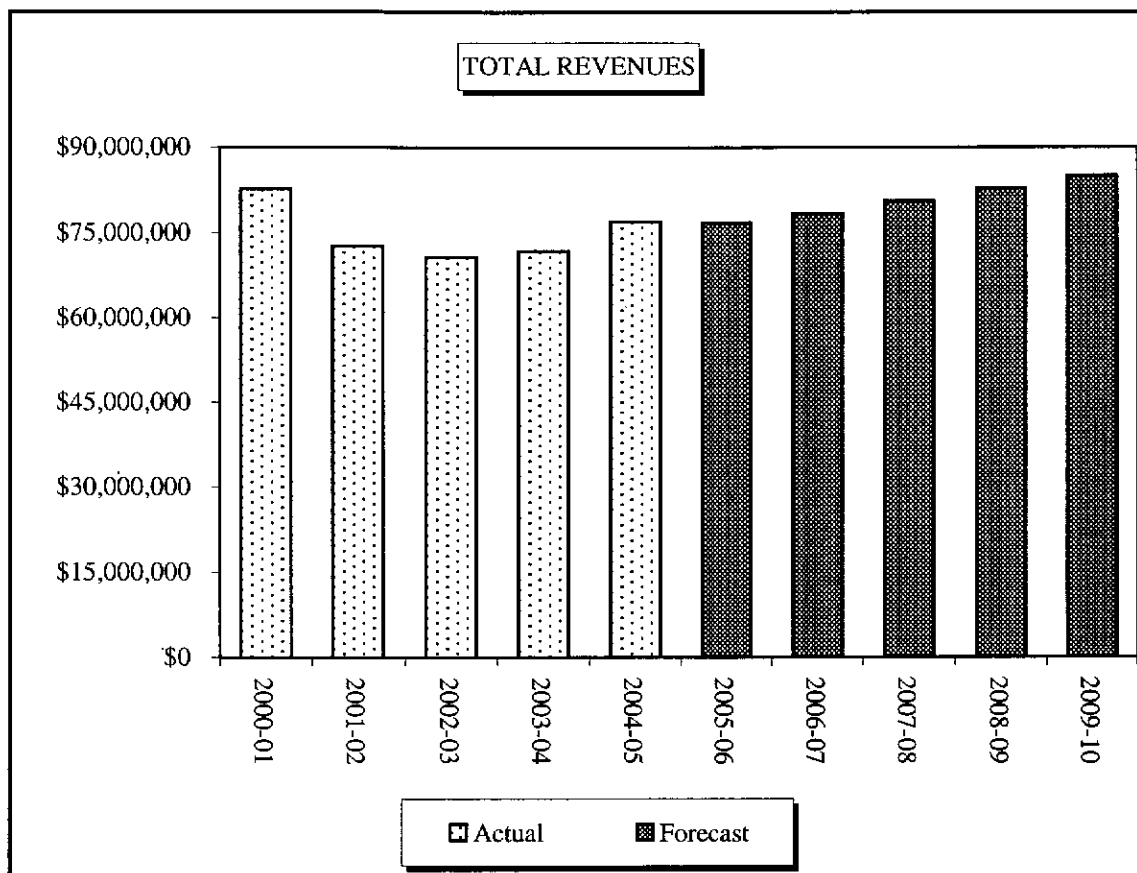
Included with this memo is a detailed presentation of the forecast, summarizing, in graphic form, the revenues described above and the assumptions used to prepare the forecast.



<u>Fiscal Year</u>	<u>Annual Revenues</u>	<u>Annual Expenditures</u>
2000-01	82,708,000	62,057,000
2001-02	72,631,000	67,281,000
2002-03	70,736,000	66,340,000
2003-04	71,779,000	65,477,000
2004-05	* 76,967,000	67,845,000
2005-06	** 76,779,000	75,399,000
2006-07	78,387,000	77,913,000
2007-08	80,596,000	80,522,000
2008-09	82,819,000	83,119,000
2009-10	85,020,000	85,771,000

* Unaudited

** Adopted



<u>Fiscal Year</u>	<u>Annual Revenues</u>	<u>% Change</u>
2000-01	82,708,000	10.7%
2001-02	72,631,000	(12.2%)
2002-03	70,736,000	(2.6%)
2003-04	71,779,000	1.5%
2004-05 *	76,967,000	7.2%
2005-06 **	76,779,000	(0.2%)
2006-07	78,387,000	2.1%
2007-08	80,596,000	2.8%
2008-09	82,819,000	2.8%
2009-10	85,020,000	2.7%

*Unaudited

** Adopted

PROPERTY TAXES

Property taxes include the revenue generated from the City's share of the 1.0 percent levy assessed on the taxable value of real and personal property located within the City limits. The assessed value of secured real property that does not experience a change in ownership is increased at an inflationary rate not to exceed the California Consumer Price Index (CPI) or 2.0 percent, whichever is less. However, if a property changes ownership, it is reassessed at the current market value and new construction is initially valued at the cost of the construction. Unsecured tax on personal property such as computers and other equipment is assessed on the value of the property as reported annually to the County by each business.

PROPERTY TAX SOURCES

- Property tax assessed on secured real property
- Property tax assessed on unsecured personal property

ECONOMIC FACTORS

- General economic conditions
- Proposition 13—determines methodology of tax application, limits the annual assessed value increase and sets the tax rate
- Consumer Price Index (CPI)
- Property demand, sales and values
- New development
- Timeliness of County processing of new development and ownership transfers to the tax roll
- State legislation regarding tax allocation
- Proactive assessment reductions by the County Assessor
- Assessment appeals

HISTORY

During Fiscal Years 1992-93 and 1993-94, the State transferred a total of \$2.5 million of City secured property tax revenues to schools ("ERAF Shift") as a way of solving its own budget shortfall. This is an ongoing annual loss to the City, increasing every fiscal year as assessed values increase which has been only slightly offset by other revenue from the State. The ERAF shift totaled \$4.3 million for Fiscal Year 2004-05, a net cumulative loss of \$31.2 million since the inception of ERAF. At the same time, assessed values declined as a result of the depressed economic climate, and commercial and residential property owners filed successful assessment appeals which resulted in reduced secured and unsecured property tax revenue. Over the next few years, the lack of housing for the growing employment base in Silicon Valley and the capital gains from stock sales combined to drive housing prices and taxable assessed values to an unprecedented level. Then, in early 2001, the economy stalled and property sales slowed briefly. Since then, interest rates have been low, and housing activity has remained strong with demand still exceeding supply. Commercial property has not recovered from the decline in value which began in 2001.

While establishing the tax roll for Fiscal Years 2002-03 through 2004-05, the County proactively reviewed all commercial property as well as some residential properties sold during this period and reduced values for many properties.

The 2004-05 State budget included a two-year plan of payments to the State from municipal agencies, redevelopment districts and special districts. The City's General Fund share of this revenue loss is \$1.4 million annually.

Effective with the Fiscal Year 2004-05 State Budget, the State no longer paid the "backfill" VLF revenue lost to cities and counties, resulting from the rate reduction from 2.0 percent to 0.65 percent of the market value of a vehicle. To replace this lost revenue, the State has permanently increased the property tax allocation to cities and counties by the amount that would have been received in Fiscal Year 2002-03 before reducing the VLF rate. This Property Tax in Lieu of VLF amount has been permanently added to each city and county's property tax allocation and will grow or decline with the assessed value of property in each agency's jurisdiction. For Fiscal Year 2004-05, these payments were required to be recorded as Intergovernmental Revenue as the payment was tied to the amount of VLF for Fiscal Year 2002-03.

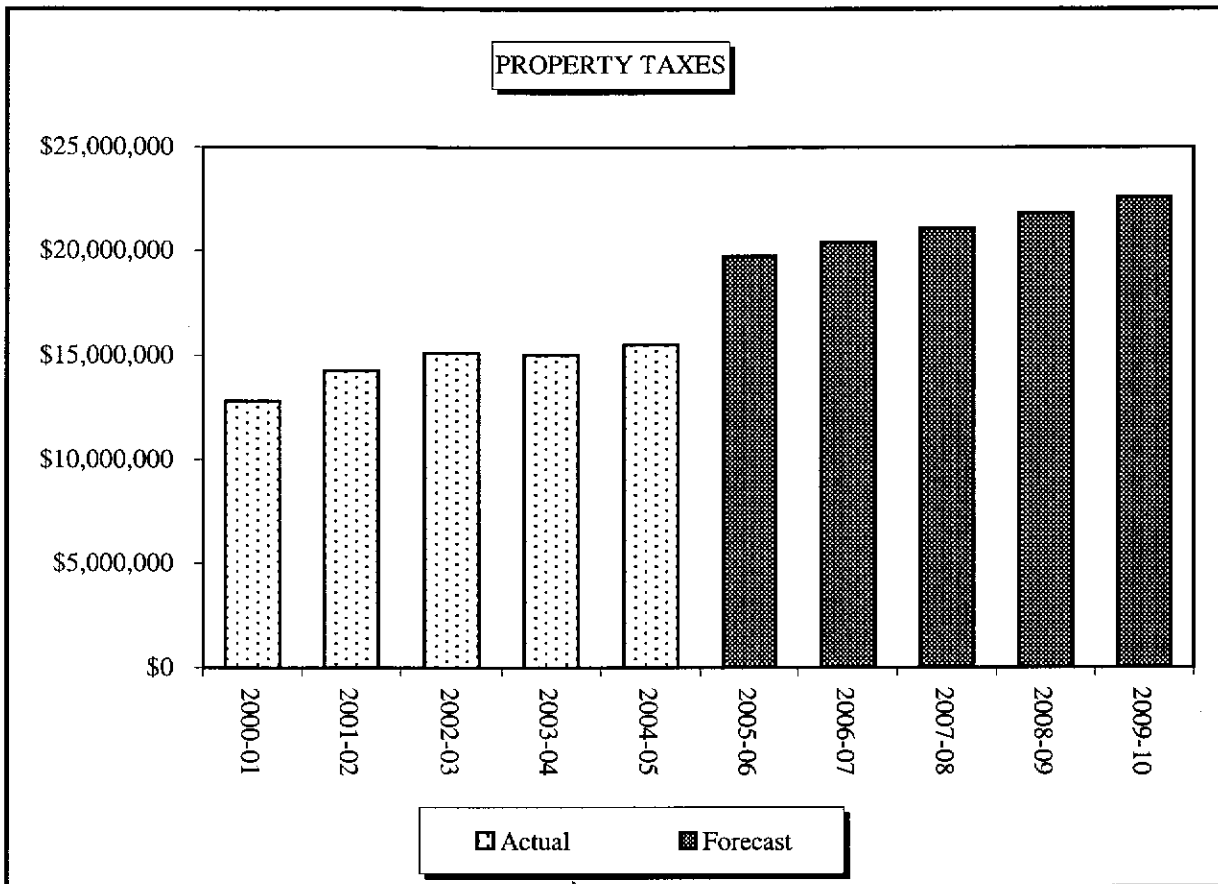
FORECAST

Fiscal Year 2005-06 includes the 2.0 percent CPI increase for residential properties, the increased value related to residential properties sold during the prior tax roll year and the projected City share of the County-wide commercial assessed value loss calculated by the Assessor's Office. The County has again proactively reviewed property values, reducing some properties and restoring values for other properties previously reduced.

In addition, Fiscal Year 2005-06 reflects payment of the State Property Tax in Lieu of VLF as this payment is now tied to the CPI applied to property values.

The four forecast years assume the assessed value of secured residential property will increase at the 2.0 percent annual maximum and that commercial property will more slowly increase over the same period of time.

The decline in the level of commercial vacancies is projected to positively impact the value of unsecured property as some vacant buildings have been leased and tax will be assessed on the unsecured property (furnishings, fixtures, etc.) The unsecured property tax projection for the forecast period is projected to grow annually.



<u>Fiscal Year</u>	<u>Annual Revenues</u>	<u>% Change</u>
2000-01	12,825,000	11.2%
2001-02	14,262,000	11.2%
2002-03	15,110,000	5.9%
2003-04	15,016,000	(0.6%)
2004-05 *	15,502,000	3.2%
2005-06 **	19,750,000	27.4%
2006-07	20,416,000	3.4%
2007-08	21,090,000	3.3%
2008-09	21,820,000	3.5%
2009-10	22,605,000	3.6%

*Unaudited

** Adopted

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SALES TAX

The City of Mountain View receives .75 percent of every sales dollar subject to sales tax. During the past decade, industrial businesses have produced a larger share of sales tax revenue. However, last fiscal year, with the decline in the technology sector, retail became the largest producer of sales tax for the City.

SALES TAX SOURCES

- Retail sales of tangible personal property to individuals and other businesses
- Use and excise taxes on business consumption of personal property
- State and County pooled sales tax allocated by population

ECONOMIC FACTORS

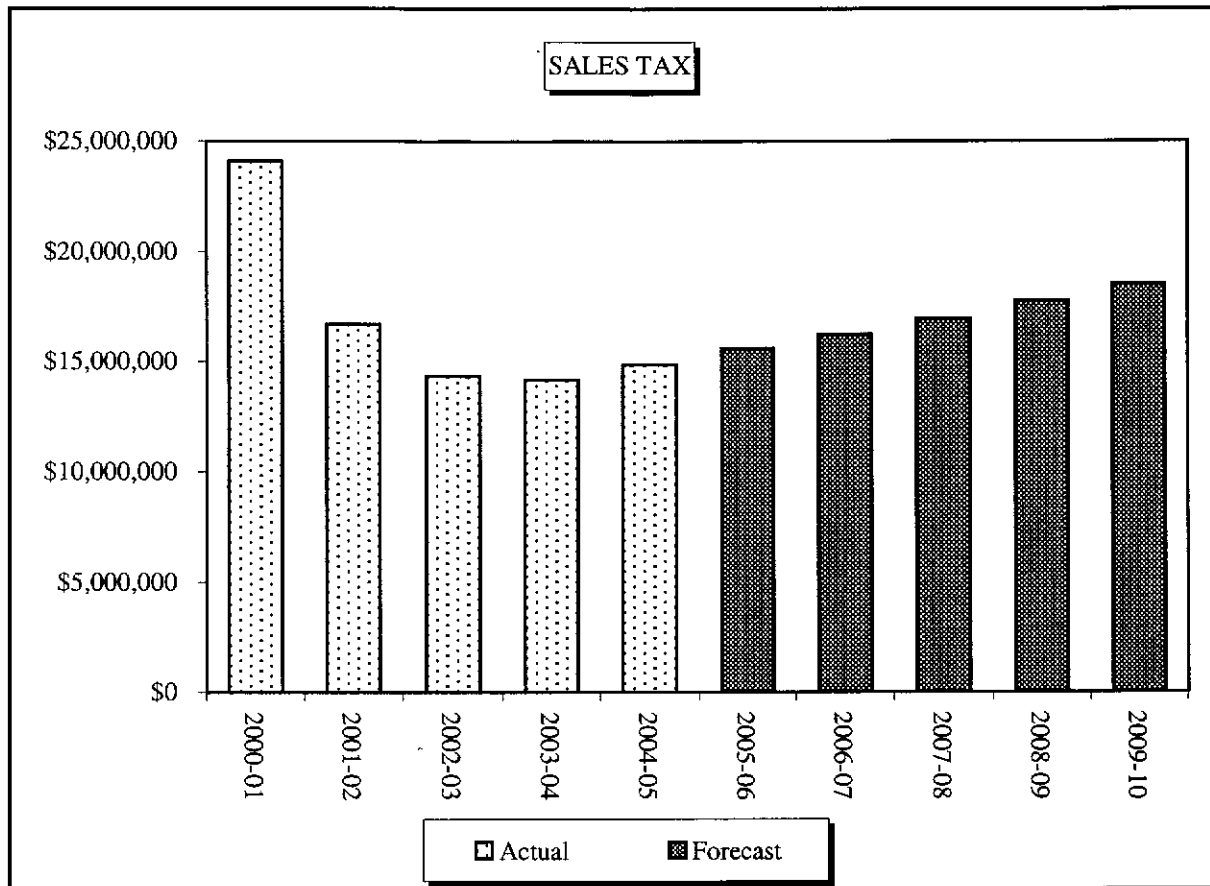
- Business expansions or relocations
- State of the economy
- Purchasing patterns
- State Board of Equalization allocation decisions
- Level of business-to-business sales
- Technological changes

HISTORY

Over the past decade, sales tax has been an extremely volatile revenue source. It dropped 9.3 percent in Fiscal Year 1990-91, almost doubled over the next six fiscal years, fluctuated for the following several fiscal years and reached an all-time record of \$24.1 million in Fiscal Year 2000-01. Since then, sales tax revenue declined 41.3 percent to \$14.2 million in Fiscal Year 2003-04, the lowest amount since Fiscal Year 1992-93. These variations occur as businesses move in and out of the City, companies modify reporting and/or sales methods and the economy changes. As part of the Proposition 57 State fiscal recovery bond funding mechanism approved by voters in March 2003, effective July 1, 2004, the State shifted 25 percent of local agency sales and use tax to the State to be used for debt service payment on the fiscal recovery bonds issued to balance the State's budget. The amount of sales tax shifted is to be completely replaced on a dollar-for-dollar basis with property tax revenue. This shift (Triple Flip) will continue for 15 years or until the deficit bonds are paid off.

FORECAST

Fiscal Year 2005-06 includes a 2.0 percent increase over the revenue estimated for Fiscal Year 2004-05 and a 4.0 percent increase throughout the remainder of the forecast period. The forecast includes the impact of some new businesses which have located to the City, known closures of other businesses and the overall increase in sales activity mentioned above.



<u>Fiscal Year</u>	<u>Annual Revenues</u>	<u>% Change</u>
2000-01	24,108,000	10.7%
2001-02	16,715,000	(30.7%)
2002-03	14,328,000	(14.3%)
2003-04	14,158,000	(1.2%)
2004-05 *	14,852,000	4.9%
2005-06 **	15,607,000	5.1%
2006-07	16,250,000	4.1%
2007-08	16,974,000	4.5%
2008-09	17,782,000	4.8%
2009-10	18,539,000	4.3%

*Unaudited

** Adopted

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OTHER TAXES

Other Taxes is comprised of Transient Occupancy Tax, Business License Tax and Utility Users Tax.

OTHER TAXES SOURCES

- Transient Occupancy Tax is a 10.0 percent tax assessed on hotel and motel occupancies. Any occupancy by a government employee or a stay exceeding 30 consecutive days is exempt from the tax. This tax is self-reported on a quarterly basis by hotels and motels within the City limits and hotels are audited by the City on a rotating basis.
- The Business License Tax is assessed on all businesses known to be operating in Mountain View and billed annually. The tax rate varies by type of business.
- Utility Users Tax is a 3.0 percent tax assessed on the sale of all commercial and residential intrastate telephone communication and all electricity and gas consumption.

ECONOMIC FACTORS

- Transient Occupancy: Number of hotel rooms, the room rate, the occupancy rate and the number of exemptions.
- Business License Tax: Number and types of businesses licensed by the City and the applicable tax rate.
- Utility Users Tax: Customer base, consumption and price of the commodity.

HISTORY

Transient Occupancy Tax (TOT): The tax rate was last modified in June 1991 with an increase from 8.0 percent to 10.0 percent. Occupancy rates throughout the County continued to increase over the past decade until 2001 when business travel dropped precipitously and did not begin to recover until the first quarter of 2004. TOT has continued to rise each quarter in comparison to the same quarter of the prior year.

Business License Tax: This revenue does not change significantly from year to year as the tax rate is very low.

Utility Users Tax: Utility Users Tax is calculated on the consumer cost of the energy and telephone service used—as the cost and/or customer base increases the tax

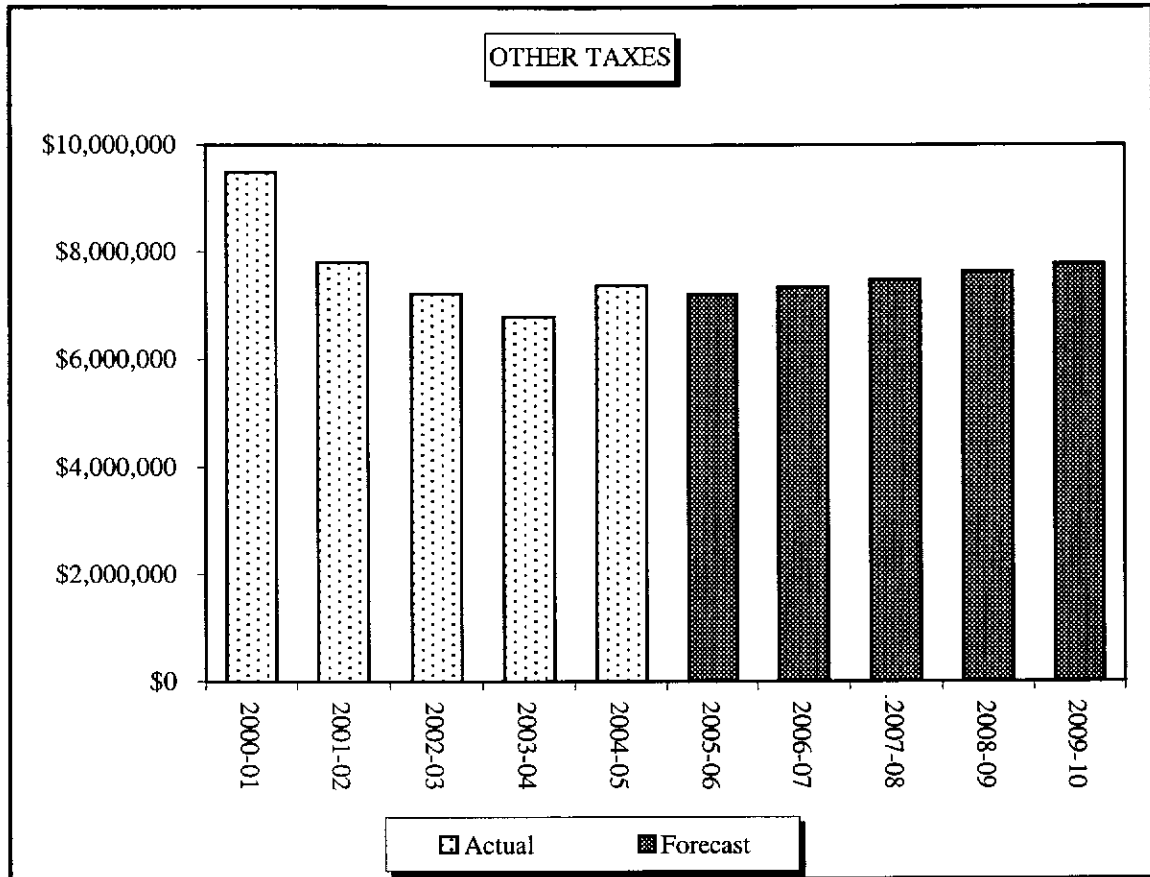
increases. New commercial and residential development, the high occupancy rate of commercial buildings and demand for multiple phone lines increased the customer base. During Fiscal Year 2000-01, consumer gas and electricity rates increased. Initially, there was an increase in City revenue from the utility rate increase. Then beginning in Fiscal Year 2001-02, businesses closed and commercial properties became vacant, which reduced the customer base and resulted in less than anticipated revenue. In addition, customers responded to conservation efforts and reduced their usage of electricity and the price of natural gas declined at the same time. Fiscal Year 2004-05 revenue was on target with budget.

FORECAST

Transient Occupancy Tax: The Fiscal Year 2005-06 Adopted Budget assumes slight growth over the prior year and the four forecast years assume business travel will increase as the economy improves.

Business License Tax: As the tax is low, the license revenue has remained fairly constant over the past several years; therefore, forecast years are based on prior fiscal years' actuals.

Utility Users Tax: Revenue for the Fiscal Year 2005-06 and subsequent fiscal years assume slightly improving revenue based on the utilization of vacant commercial space which will increase the customer base.



<u>Fiscal Year</u>	<u>Annual Revenues</u>	<u>% Change</u>
2000-01	9,487,000	20.0%
2001-02	7,806,000	(17.7%)
2002-03	7,217,000	(7.5%)
2003-04	6,794,000	(5.9%)
2004-05 *	7,376,000	8.6%
2005-06 **	7,209,000	(2.3%)
2006-07	7,344,000	1.9%
2007-08	7,483,000	1.9%
2008-09	7,627,000	1.9%
2009-10	7,778,000	2.0%

* Unaudited

** Adopted

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USE OF MONEY AND PROPERTY

Use of Money and Property is comprised of investment earnings and revenue from rents and leases of City property. Investment earnings are generated from the General Fund's share of the City's pooled investment portfolio. Rents and Leases revenue is generated from rental properties and lease agreements.

USE OF MONEY AND PROPERTY SOURCES

- Monthly interest allocation generated by the City's pooled investment portfolio
- Leased and rented properties, including:
 - North Charleston site
 - Crittenden site
 - Michaels at Shoreline
 - Center for the Performing Arts
- Amphitheatre concessions

ECONOMIC FACTORS

- Economy
- Interest rates
- Portfolio balance
- Lease agreements
- Amphitheatre concert season

HISTORY

Investment Earnings: The portfolio has increased over the last few years as a result of the financial strategy to build reserves in anticipation of budget constraints. The Federal Reserve lowered short-term interest rates numerous times throughout 2001 and 2002 which decreased the yield on newly purchased investment instruments. In June 2004, the Federal Reserve began a series of increases to short-term interest rates.

Rents and Leases: In March 1995, the City negotiated and signed a lease agreement with Silicon Graphics, Inc. (SGI) for the North Charleston site. In September 1996, the City negotiated and signed a lease agreement with SGI for the Crittenden site. During

Fiscal Year 2000-01, Goldman Sachs purchased the SGI buildings on the North Charleston and Crittenden sites and SGI has assigned the lease agreements with the City to Goldman Sachs for these properties. The leases contain annual increases to the rent payments. As allowed in the lease agreement, the market rent is reevaluated every 10 years. In April 2005, the Charleston lease was revalued and the revenue declined to the base rent guaranteed in the lease.

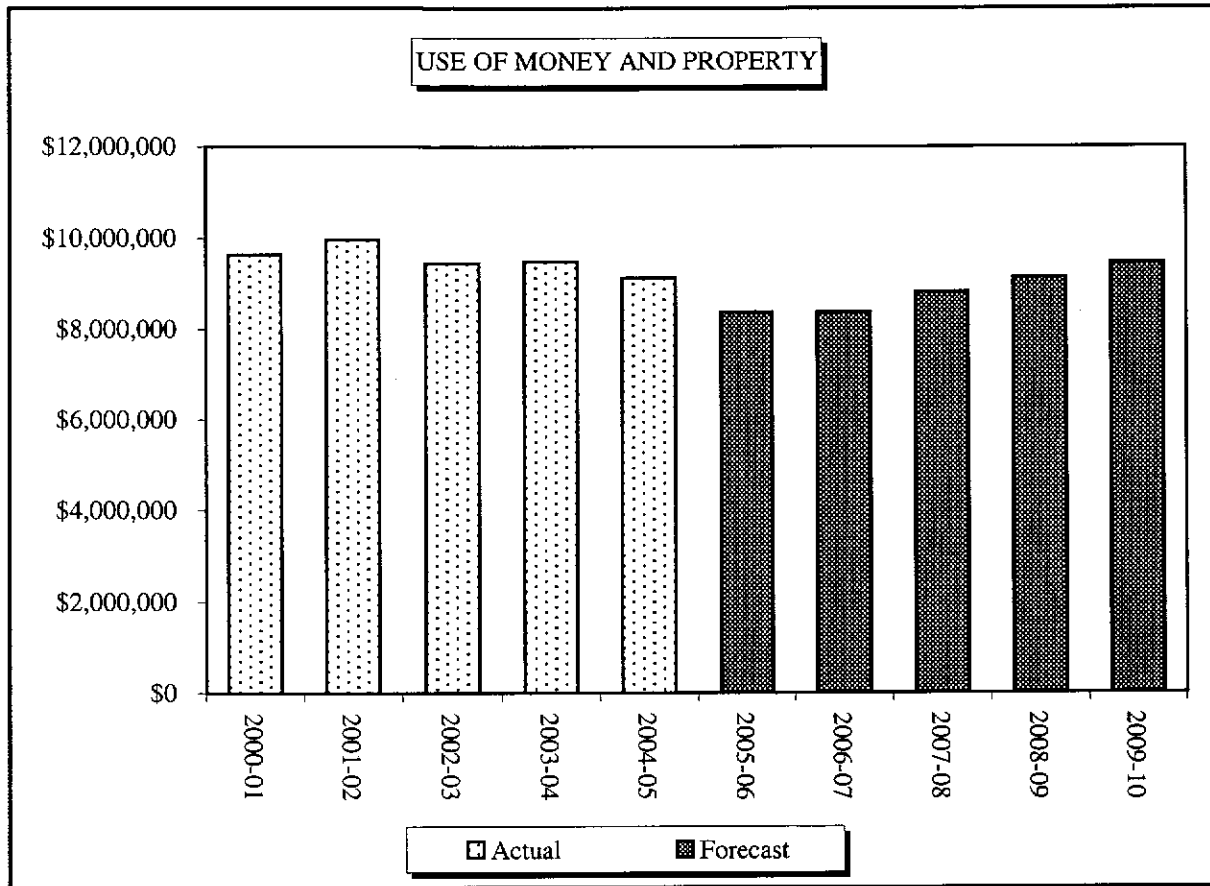
The City leases the Shoreline Amphitheatre site to Clear Channel and receives between 4.75 percent and 6.75 percent of the revenue for the Amphitheatre from Clear Channel.

FORECAST

Investment Earnings: The projection for the Fiscal Year 2005-06 Adopted Budget is based on an assumption the average portfolio rate will increase to 3.75 percent as maturing investments are reinvested at higher yields. During the first two years of the forecast period, the portfolio yield is projected to attain 4.0 percent and then remains level to the end of the forecast period.

Rents and Leases: The lease with Goldman Sachs calls for a reevaluation of rent in Fiscal Year 2005-06 for the Crittenden site. The forecast includes rental income for this lease to decline to the base rent guaranteed in the lease.

The City will remain at the maximum percentage allowed in the lease with Clear Channel but anticipates that concert bookings will be at approximately the same level for the next few years and will increase in the remaining years of the forecast period.



<u>Fiscal Year</u>	<u>Annual Revenues</u>	<u>% Change</u>
2000-01	9,644,000	15.7%
2001-02	9,959,000	3.3%
2002-03	9,455,000	(5.1%)
2003-04	9,491,000	0.4%
2004-05 *	9,128,000	(3.8%)
2005-06 **	8,374,000	(8.3%)
2006-07	8,372,000	(0.0%)
2007-08	8,819,000	5.3%
2008-09	9,137,000	3.6%
2009-10	9,454,000	3.5%

* Unaudited

** Adopted

OTHER REVENUE

Other revenue is comprised of Franchise Fees, Licenses and Permits, Fines and Forfeitures, Intergovernmental, Service Charges, Miscellaneous and Interfund Revenue/Transfers.

OTHER REVENUE SOURCES

- The franchisees are required to pay Franchise Fees as compensation to the City for the use of City property while providing a commercial service to Mountain View businesses and residents.
- Licenses and Permits and Service Charge revenues are generated from private development activity and recreation classes.
- Fines and Forfeitures are generated from citations issued by the City and the California Highway Patrol.
- Intergovernmental includes all revenue derived from other government agency sources, the largest of which is motor vehicle license fees (VLF).
- Miscellaneous Revenue includes revenue from a variety of sources.
- Interfund Revenues are reimbursements to the General Operating Fund from other funds and capital improvement projects for services provided. Interfund Transfers are transfers from other funds.

ECONOMIC FACTORS

- State of the economy
- Franchise agreements and revenues generated by franchisees
- Level of development activity
- Actions by the State Legislature
- Level of service provided to other funds and capital improvement projects by staff budgeted in the General Operating Fund
- State and Federal regulations, legislation and funded programs

HISTORY

Franchise Fees: Franchise revenue generated from gas and electricity usage steadily increased through Fiscal Year 2001-02 as a result of significant commercial and residential development which completely masked the impact of the PG&E rate reduction effective March 1998. This revenue declined in Fiscal Year 2002-03 as a result of the high level of commercial office vacancies. Fiscal Years 2003-04 and 2004-05 revenue increased over the prior year, an indication the local economy has reached bottom and is benefiting from the lease of vacant commercial space.

The City's refuse hauler, Foothill Disposal Company (Foothill), is required to pay a franchise fee to the City. This revenue began declining in Fiscal Year 2001-02 as a result of the decreased demand for refuse service, resulting from the amount of vacant commercial space, and continued to fall through Fiscal Year 2003-04. However, Fiscal Year 2004-05 revenue increased over 9.0 percent, a reflection of the increase in the customer base, migration to larger-size containers and an increase in refuse service charges.

Both of these Franchise Fee sources have been negatively impacted by ongoing conservation and recycling efforts.

Licenses and Permits and Service Charges: This revenue source experienced significant growth during the 1990s as a result of new development. Revenues began declining in Fiscal Year 2000-01 when the economy faltered, and there were no new large commercial development projects. Development-related revenue began to recover in Fiscal Year 2003-04 and increased 39 percent by the end of Fiscal Year 2004-05.

Intergovernmental Revenue: During the past decade, many revenues from the State have been reduced or eliminated. However, motor vehicle license fees (VLF) collected on vehicle registrations have steadily increased. The VLF was reduced by the State Legislature in Fiscal Year 1997-98 with the loss to local agencies offset by a "backfill" payment from the State's General Fund. Local agencies were dependent upon the State to continue to backfill the loss of that portion of VLF. With adoption of the 2003-04 State budget, the Legislature eliminated the backfill to local agencies. Then-Governor Davis restored the level of VLF effective October 1, 2003 pursuant to existing law; however, the Fiscal Year 2003-04 State budget did not include funding for the backfill to local governments for the first quarter of Fiscal Year 2003-04, a loss of \$1.2 million for the City. Upon election, Governor Schwarzenegger issued his first executive order rescinding the restoration of the VLF fee and ordered refunds to vehicle owners who had already paid. In December, the Governor issued an executive order appropriating funds to pay cities and counties the VLF backfill for the last three quarters of the fiscal year. This order left in place the unfunded "gap" for the first quarter, which was repaid in June 2005.

With the adoption of the 2004-05 State budget, the VLF backfill was permanently replaced with property tax which will increase annually by CPI or a maximum of 2.0 percent.

Interfund Revenues/Transfer: Every two years, the City's full cost allocation plan is updated to accurately reflect the services provided to other funds and capital projects by General Operating Fund staff.

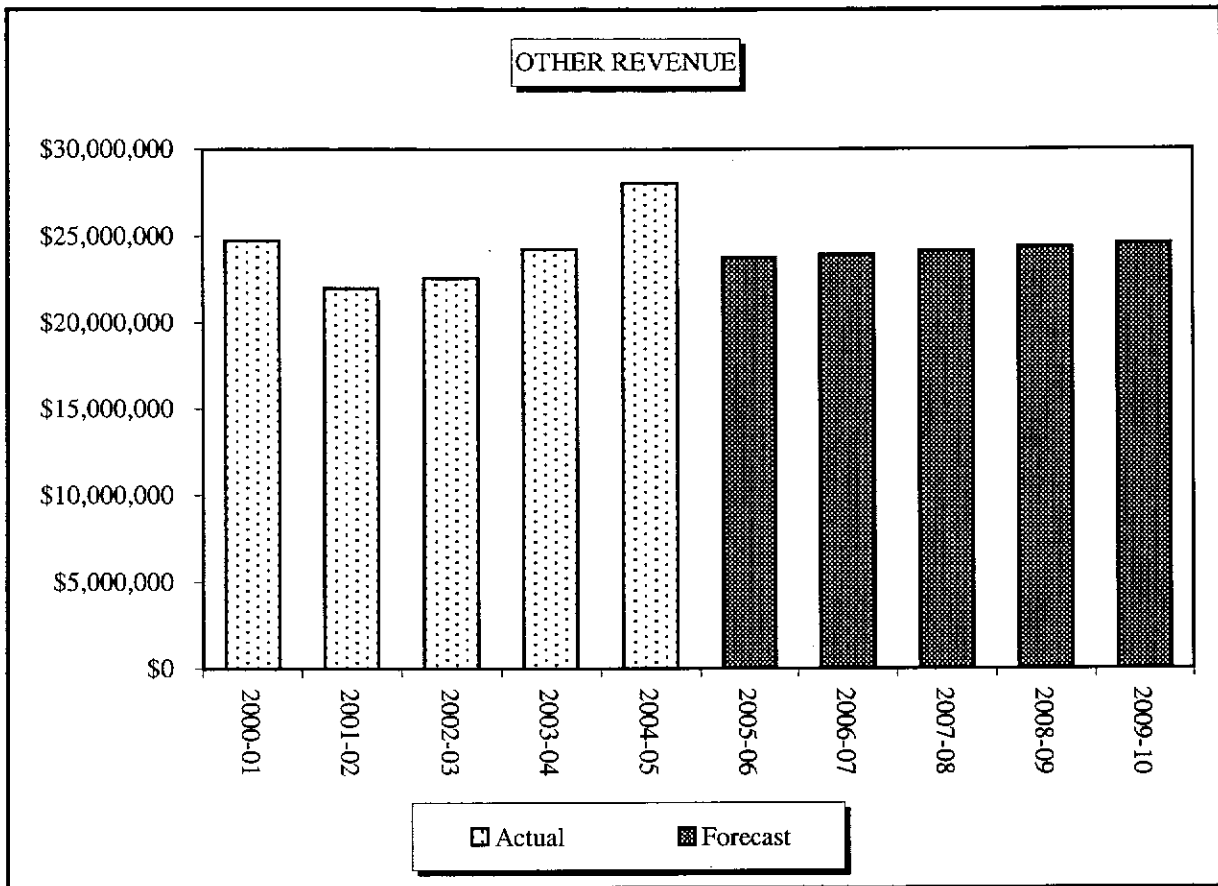
FORECAST

Franchise Fees: The Fiscal Year 2005-06 Adopted Budget includes an increase in the fee collected from Foothill, resulting from the increase in their refuse disposal revenues. The four forecast years assume inflationary increases in revenue from Foothill and from the other Franchisees.

Licenses and Permits and Service Charges: For Fiscal Year 2005-06, this revenue is expected to remain at the same level as Fiscal Year 2004-05, reflecting a similar level of building permit activity and is held at that level for the remaining forecast period.

Intergovernmental Revenue: Fiscal Year 2005-06 reflects the VLF backfill loss, which is to be replaced with property tax.

Interfund Revenue/Transfer: The cost allocation plan is updated on a biennial basis in order to calculate the value of the services provided to other funds by the General Fund.



<u>Fiscal Year</u>	<u>Annual Revenues</u>	<u>% Change</u>
2000-01	24,750,000	6.4%
2001-02	21,995,000	(11.1%)
2002-03	22,566,000	2.6%
2003-04	24,260,000	7.5%
2004-05 *	28,049,000	15.6%
2005-06 **	23,779,000	(15.2%)
2006-07	23,945,000	0.7%
2007-08	24,170,000	0.9%
2008-09	24,393,000	0.9%
2009-10	24,584,000	0.8%

* Unaudited

** Adopted

LOAN REPAYMENTS

This revenue source reflects the annual repayment of loan obligations from other funds.

LOAN REPAYMENT SOURCES

- Shoreline Regional Park Community
- Revitalization Authority

ECONOMIC FACTORS

- Financial condition of the paying funds

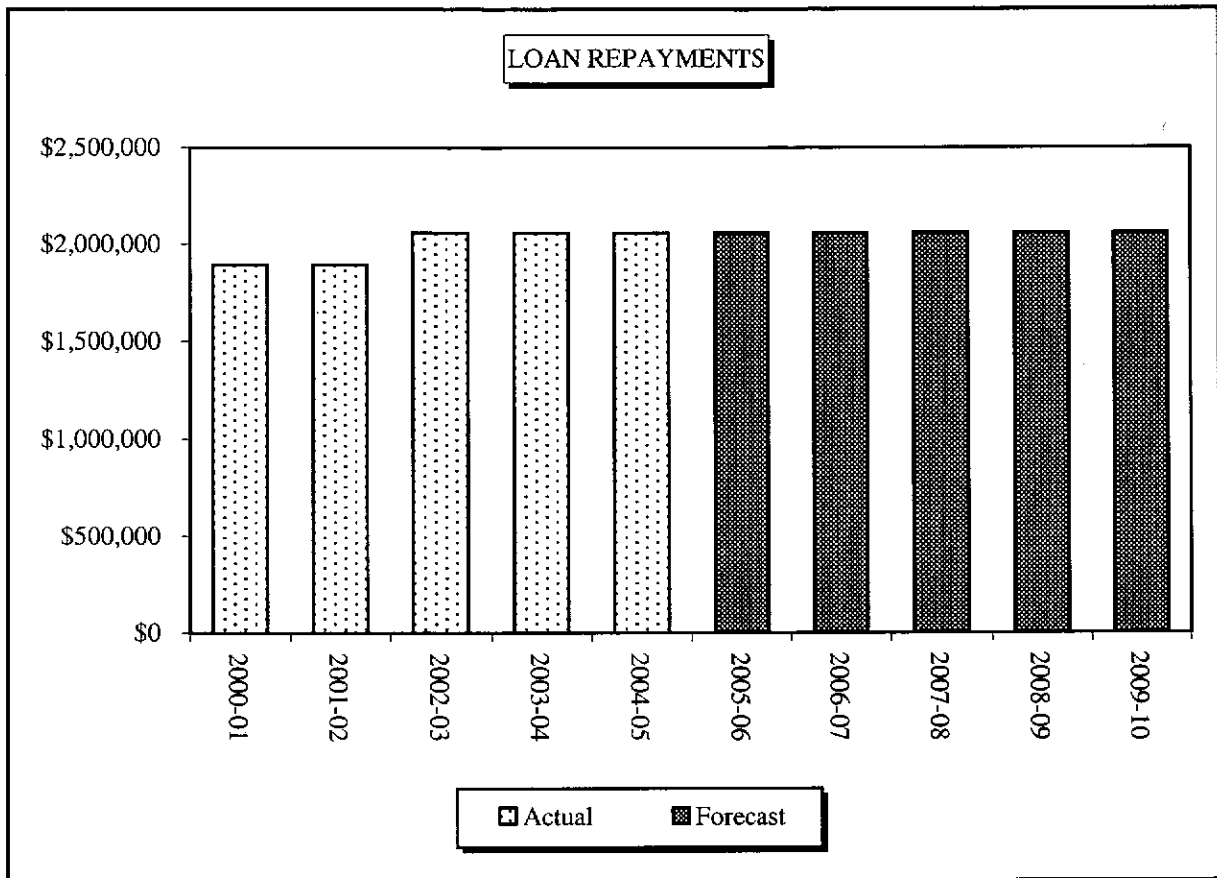
HISTORY

Shoreline Regional Park Community (SRPC): The General Fund made a series of loans to the SRPC beginning in Fiscal Year 1985-86, which eventually totaled \$17.8 million. The loans were combined together into a consolidated loan during Fiscal Year 1988-89. Although this revenue is one-time in nature, it will not be fully repaid until Fiscal Year 2015-16 and is currently included as operating revenue.

Revitalization Authority (Authority): The General Fund also made a series of loans to the Authority in 1989. In the Fiscal Year 1993-94 budget, the Council approved deferring the loan repayments a minimum of three years at no interest and extending the payoff until Fiscal Year 2013-14. Although the financial condition of the Authority subsequently improved, loan repayments continued to be deferred until Fiscal Year 2002-03. At that time, the loan to the Authority was reamortized to 2019, the end of the life of the District, at a 6.0 percent interest rate with an annual loan payment in the amount of \$165,500.

FORECAST

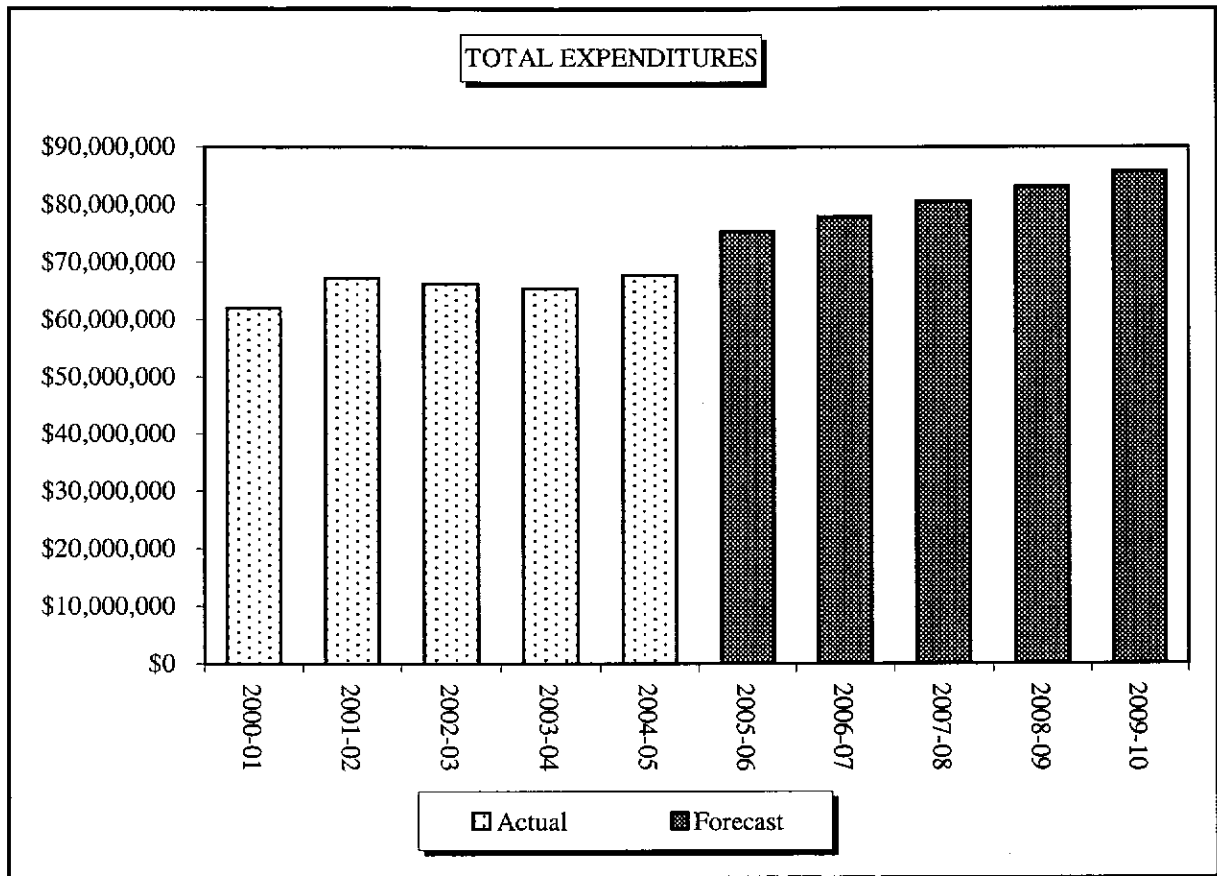
The SRPC and Revitalization Authority loan repayments remain at the same annual amount throughout the life of the debt.



Fiscal Year	Annual Revenues	% Change
2000-01	1,894,000	0.0%
2001-02	1,894,000	0.0%
2002-03	2,060,000	8.8%
2003-04	2,060,000	0.0%
2004-05 *	2,060,000	0.0%
2005-06 **	2,060,000	0.0%
2006-07	2,060,000	0.0%
2007-08	2,060,000	0.0%
2008-09	2,060,000	0.0%
2009-10	2,060,000	0.0%

* Unaudited

** Adopted



<u>Fiscal Year</u>	<u>Annual Expenditures</u>	<u>% Change</u>
2000-01	62,057,000	3.7%
2001-02	67,281,000	8.4%
2002-03	66,340,000	(1.4%)
2003-04	65,477,000	(1.3%)
2004-05 *	67,845,000	3.6%
2005-06 **	75,399,000	11.1%
2006-07	77,913,000	3.3%
2007-08	80,522,000	3.3%
2008-09	83,119,000	3.2%
2009-10	85,771,000	3.2%

* Unaudited

** Adopted

SALARIES AND BENEFITS

The Salaries and Benefits category makes up the largest component of General Operating Fund expenditures and represents all personnel-related costs. There are currently four union-represented groups in the City: the Police Officers Association (POA sworn and nonsworn), the Mountain View Professional Firefighters Union (IAFF No. 1965) and Service Employees International Union (SEIU No. 715). The remaining employees are Management, Professional and certain Front-Line positions. The outcome of negotiations with each unit is a major factor in salary and benefit costs.

CATEGORIES

- Salaries
- Wages
- Overtime
- Other pays (e.g., holiday-in-lieu, out-of-class, etc.)
- Medical/dental premiums
- Public Employees Retirement System (PERS)
- Other benefits (e.g., long-term disability, FICA, etc.)
- Workers' Compensation

HISTORY

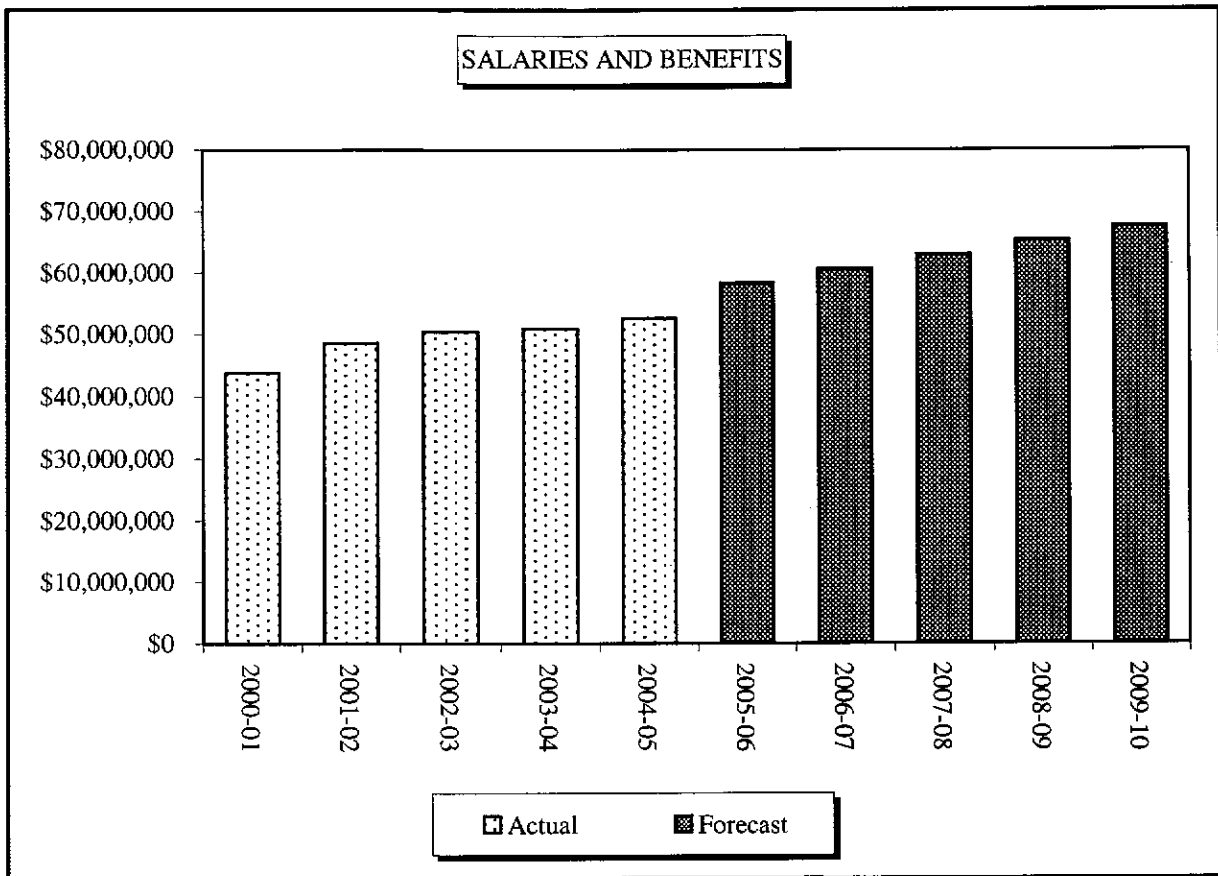
During the recession in the early 1990s, the City experienced retrenchment, eliminating a total of 31.5 General Fund positions. Over the next several fiscal years, the Council approved service enhancements in the highest-priority areas. However, from Fiscal Years 2002-03 through 2004-05, in response to the economic slowdown, 51.10 positions were eliminated from the General Operating Fund and an additional 4.30 positions were transferred to other, more appropriate funding sources.

FORECAST

As discussed during budget study sessions, the Adopted Budget includes the elimination of a net 4.25 full-time equivalent General Operating Fund positions.

The Adopted Budget also includes the cost-of-living adjustments agreed to in the current IAFF No. 1965, the POA sworn and nonsworn, the SEIU 715 Memorandums of Understanding and the compensation agreement with the EAGLES (unrepresented). Included in the Adopted Budget is funding for all frontline employees to receive the appropriate step increase, and a minimal amount is included for merit increases.

Other anticipated benefit costs increases (i.e., health-care costs) are reflected in the Fiscal Year 2005-06 Adopted Budget. Public Employees Retirement System (PERS) employer contribution rates for Fiscal Year 2005-06 and 2006-07 reflect the rate calculated by PERS in the most recent actuarial. The Safety rate is 31.559 percent for Fiscal Year 2005-06, 31.2 percent is projected for Fiscal Year 2006-07 and remain level through the remainder of the forecast period. Both Police and Fire Safety will share in any cost over the base rate of 16.268. The rate for the remaining groups is 12.359 percent for Fiscal Year 2005-06, 12.1 percent is projected for Fiscal Year 2006-07, decreasing annually each subsequent year of the forecast, reflecting the impact of the increased investment yield and additional smoothing techniques approved by the PERS Board for the same reasons as the safety group. The remaining benefits, consisting primarily of employee insurance coverages, are included in the forecast with projected inflationary increases.



<u>Fiscal Year</u>	<u>Annual Expenditures</u>	<u>% Change</u>
2000-01	43,838,000	3.4%
2001-02	48,659,000	11.0%
2002-03	50,431,000	3.6%
2003-04	51,012,000	1.2%
2004-05 *	52,633,000	3.2%
2005-06 **	58,354,000	10.9%
2006-07	60,643,000	3.9%
2007-08	62,990,000	3.9%
2008-09	65,314,000	3.7%
2009-10	67,613,000	3.5%

* Unaudited

** Adopted

SERVICES AND SUPPLIES

The Services and Supplies category makes up the second largest component of General Operating Fund expenditures and represents costs of operations.

CATEGORIES

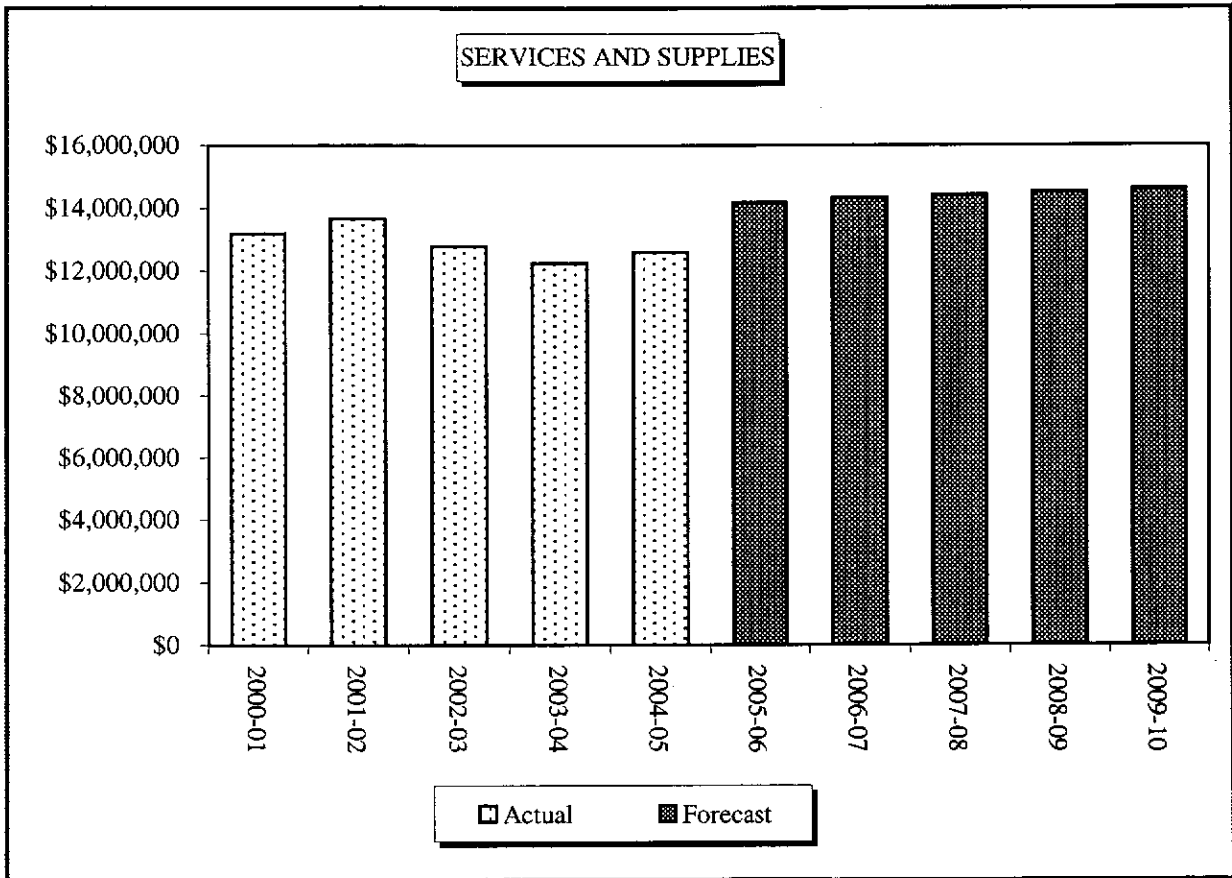
- Materials and Supplies
- Maintenance and Operations
- Utilities
- Professional/Technical Services
- Training, Conference and Travel
- Miscellaneous Expenditures

HISTORY

From Fiscal Year 1995-96 through Fiscal Year 2001-02, the Council has approved increases (averaging 7.8 percent annually) for the highest-priority programs. In Fiscal Year 2002-03 and Fiscal Year 2003-04 the Council approved a net 4.9 percent and 10.5 percent reductions, respectively, and a 2.7 percent increase was necessary for Fiscal Year 2004-05.

FORECAST

The Fiscal Year 2005-06 Adopted Budget includes a 6.2 percent increase in the services and supplies account compared to the prior year adopted budget reflecting expenditures that are mandatory in nature. Subsequent forecast years include a slight inflationary increase.



<u>Fiscal Year</u>	<u>Annual Expenditures</u>	<u>% Change</u>
2000-01	13,194,000	6.6%
2001-02	13,658,000 (1)	3.5%
2002-03	12,780,000	(6.4%)
2003-04	12,250,000	(4.1%)
2004-05 *	12,587,000	2.8%
2005-06 **	14,185,000	12.7%
2006-07	14,331,000	1.0%
2007-08	14,419,000	0.6%
2008-09	14,508,000	0.6%
2009-10	14,599,000	0.6%

* Unaudited

** Adopted

(1) Includes Interfund Transfers

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CAPITAL OUTLAY AND EQUIPMENT REPLACEMENT

The Capital Outlay and Equipment Replacement category represents the new and replacement equipment needs of the City. Although, individually, Capital Outlay is one-time in nature, the City includes this category in the Operating Budget to reflect capital needs on an annual basis. In addition to the General Operating Fund, the Shoreline Golf Links, Revitalization Authority, Parking District, Shoreline Regional Park Community, Water, Wastewater, Solid Waste Management and Fleet Maintenance Funds make annual contributions based on the equipment used by those operations. Equipment replacement expenses are paid by the Equipment Replacement Reserve Fund.

CATEGORIES

- Capital Outlay
- Equipment Replacement

HISTORY

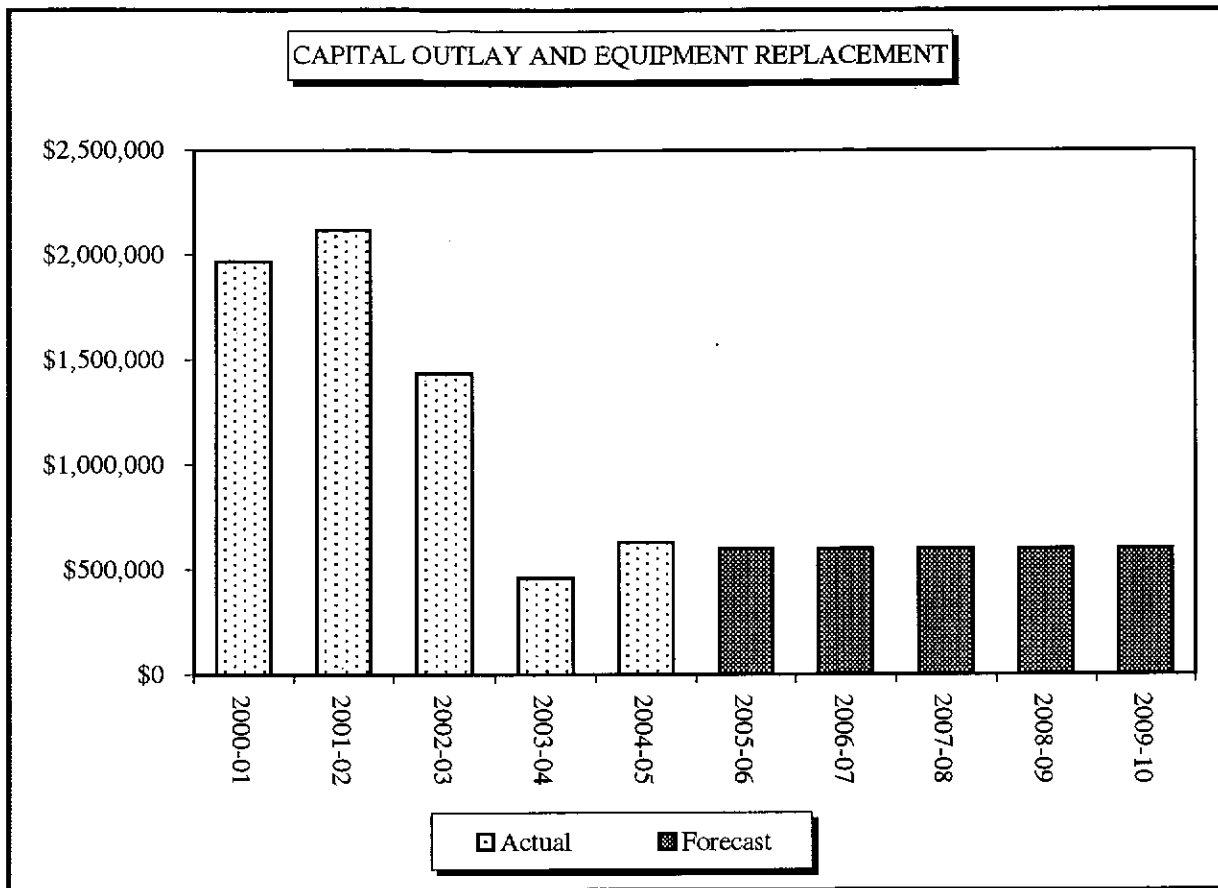
Capital Outlay: Since Fiscal Year 1993-94, the annual expenditures have grown as a result of an increased level of technology and related equipment, and an increase in the number and quality of safety vehicles. However, beginning in Fiscal Year 2002-03 constraints on capital outlay were implemented as the economy weakened and it was necessary to reduce the Operating Budget. The Fiscal Year 2002-03 Adopted Budget included an ongoing \$100,000 reduction to capital outlay, and the Fiscal Year 2003-04 Adopted Budget included a further reduction of \$200,000, leaving the ongoing annual funding at \$200,000.

Equipment Replacement: The Equipment Replacement Reserve was initially funded in Fiscal Year 1992-93 with year-end General Fund carryover. Since that time, the Council has approved transfers to this fund from the year-end General Fund carryover to supplement the General Operating Fund's share of funding. Beginning in Fiscal Year 1994-95, the General Operating Fund increased funding by \$200,000 annually until it was fully funding its share by Fiscal Year 2001-02. Due to economic circumstances, Fiscal Year 2002-03 included a \$500,000 reduction in the General Operating Fund's contribution to Equipment Replacement, and the 2003-04 Adopted Budget included an additional \$500,000 reduction in funding.

FORECAST

Capital Outlay: The Fiscal Year 2005-06 Adopted Budget and the subsequent forecast years are maintained at the reduced level adopted for Fiscal Year 2003-04.

Equipment Replacement: The Fiscal Year 2005-06 Adopted Budget and the subsequent forecast years are maintained at the level adopted for Fiscal Year 2004-05.



<u>Fiscal Year</u>	<u>Annual Expenditures</u>	<u>% Change</u>
2000-01	1,969,000	2.6%
2001-02	2,118,000	7.6%
2002-03	1,434,000	(32.3%)
2003-04	461,000	(67.9%)
2004-05 *	631,000	36.9%
2005-06 **	600,000	(4.9%)
2006-07	600,000	0.0%
2007-08	600,000	0.0%
2008-09	600,000	0.0%
2009-10	600,000	0.0%

* Unaudited

** Adopted

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SELF-INSURANCES

The Insurances category represents the General Operating Fund's share of insurance costs accounted for in the Internal Service Funds. Special Funds and the Enterprise Funds also contribute to benefit insurances.

CATEGORIES

- General Liability
- Retirees' Health Care
- Vision Care

HISTORY

General Liability: In Fiscal Year 1993-94, the City joined a liability insurance pool (ACCEL) with other select cities for the provision of \$19.0 million coverage in excess of the then-current \$1.0 million self-insured retention (SIR) for total coverage of \$20.0 million. Beginning in Fiscal Year 2001-02, funding of liability insurance was spread to all funds which receive a benefit from this insurance coverage. Previously, the cost was funded entirely by the General Operating Fund.

Retirees' Health Care and Vision Care: The medical premiums for eligible retirees are paid by the Retirees' Health Fund, and vision care claims and reimbursement for safety glasses submitted by current employees are paid by the Employee Benefits Fund. The annual cost of both of these programs is allocated to all operating funds. The Fiscal Years 2003-04 and 2004-05 Adopted Budgets included funding of the General Operating Fund's share to be paid by investment earnings generated by the Retirees' Health Reserve balance.

FORECAST

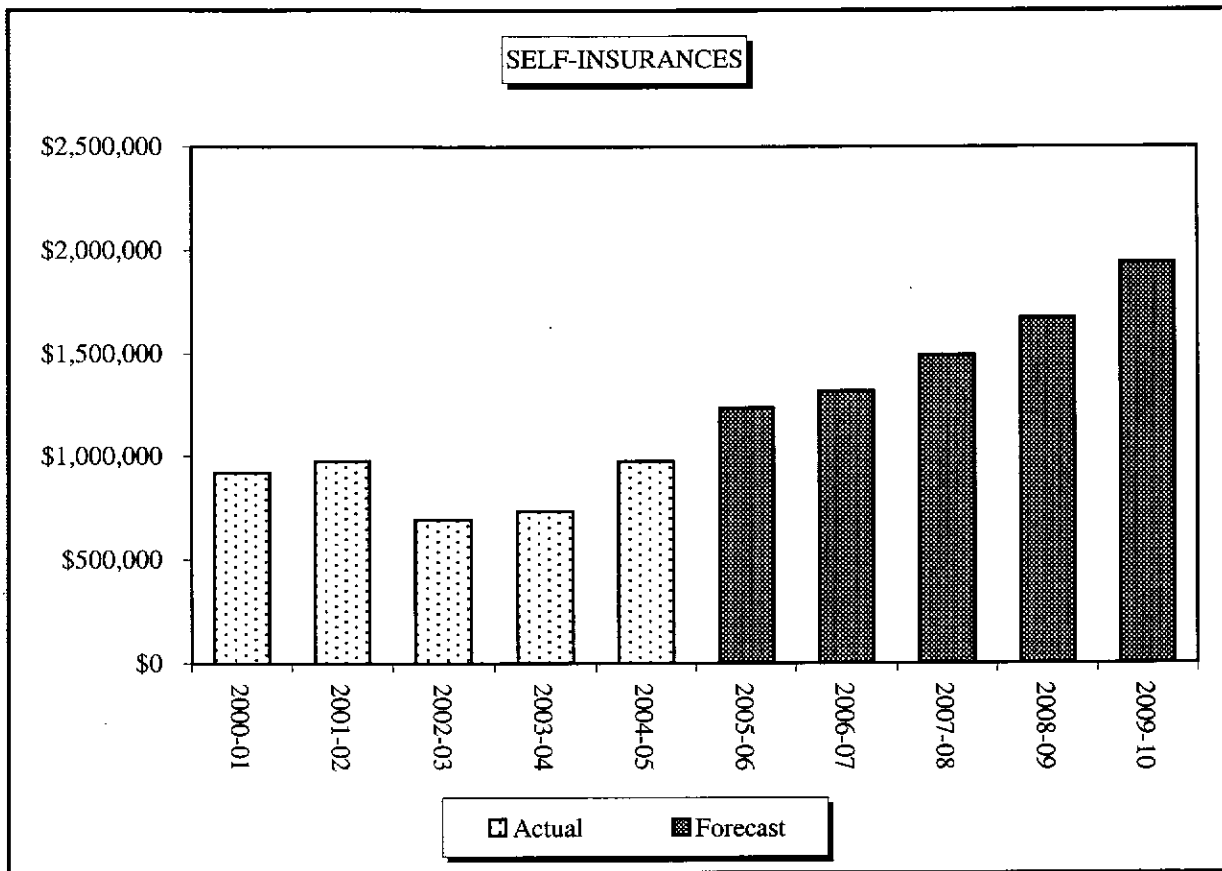
General Liability: The Adopted Budget includes allocation of this funding to the General Operating Fund, Shoreline Golf Links, Revitalization Authority, Parking District, Shoreline Regional Park Community, Water, Wastewater and Solid Waste Management Funds. The Fiscal Year 2005-06 through 2009-10 projections are based on maintaining the minimum policy level for reserve balances. Operating expenditures have been maintained at the same level as Fiscal Year 2004-05. The total coverage includes a \$1.0 million self-insurance retention (SIR), \$4.0 million of coverage above the SIR through ACCEL joint powers authority and an additional \$40.0 million purchased excess coverage for a total of \$45.0 million.

Retirees' Health Care: The General Operating Fund's contribution to the Retirees' Health Fund is based on the projected cost of health care premiums for retired employees and the number of retirees. The number of retirees is calculated to increase by 10 annually through the forecast period. This is based on historical trends and the number of known pending retirements.

To date, the General Operating Fund has contributed the entire reserve balance of the Retirees' Health Fund. The Fiscal Year 2005-06 Adopted Budget includes funding in the amount of \$495,000 from the General Operating Fund for its share of the annual liability, a \$195,000 increase compared to the prior fiscal year. The remainder of the annual General Operating Fund cost will be funded from investment earnings on the reserve balance. Although the City is not yet required to fund this liability, Council has allocated funds to this reserve since Fiscal Year 1992-93.

Recent actions by the Government Accounting Standards Board (GASB) will require governmental agencies to report this liability in their annual financial reports beginning Fiscal Year 2007-08. An actuarial report was recently completed and will be reviewed with Council in the near future.

Vision Care: The General Operating Fund's contribution is based on the projected amount required to fund vision coverage for employees and retirees and safety glasses for employees.



<u>Fiscal Year</u>	<u>Annual Expenditures</u>	<u>% Change</u>
2000-01	921,000	(8.9%)
2001-02	978,000	6.2%
2002-03	693,000	(29.1%)
2003-04	733,000	5.8%
2004-05 *	975,000	33.0%
2005-06 **	1,236,000	26.8%
2006-07	1,318,000	6.6%
2007-08	1,493,000	13.3%
2008-09	1,674,000	12.1%
2009-10	1,940,000	15.9%

* Unaudited

** Adopted

DEBT SERVICE

The Debt Service category funds the debt obligations of the General Fund to the Debt Service Funds.

CATEGORIES

- City Hall and Center for the Performing Arts

HISTORY

City Hall/Center for the Performing Arts: In Fiscal Year 1988-89, the City issued debt to fund the construction of a new City Hall building and Center for the Performing Arts. The City refinanced this debt in Fiscal Year 1992-93, reducing annual debt service payments an average of \$230,000 and a total savings of approximately \$5.5 million over the life of the debt.

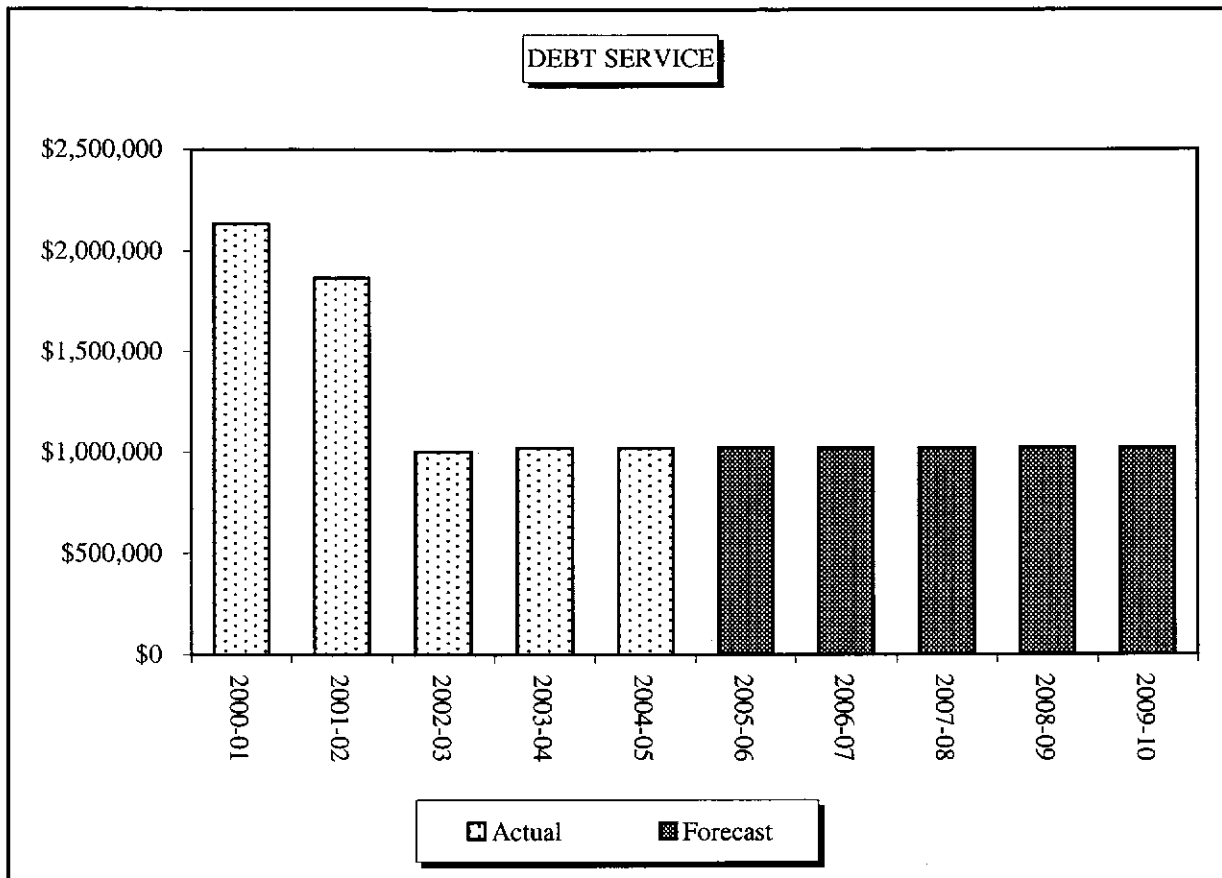
The Council approved the allocation of \$5.0 million from the Fiscal Year 1999-2000 General Fund carryover and \$5.0 million from the Fiscal Year 2000-01 carryover to call a portion of the outstanding General Fund bonds. The \$10.0 million bond call and refinancing completed in August 2001 reduced the ongoing General Operating Fund debt service obligation by approximately \$1.1 million annually.

FORECAST

City Hall/Center for the Performing Arts:

The forecast period reflects the scheduled debt service payments.

HMA/5/BUD
530-06-14-05R^



<u>Fiscal Year</u>	<u>Annual Expenditures</u>	<u>% Change</u>
2000-01	2,135,000	(0.5%)
2001-02	1,868,000	(12.5%)
2002-03	1,002,000	(46.4%)
2003-04	1,021,000	1.9%
2004-05	1,019,000	(0.2%)
2005-06	1,024,000	0.5%
2006-07	1,021,000	(0.3%)
2007-08	1,020,000	(0.1%)
2008-09	1,023,000	0.3%
2009-10	1,020,000	(0.3%)

* Unaudited

** Adopted

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